PHOTO COURTESY OF MONTANA PROMOTION DIVISION

MONTANA

naturally inviting!

COMPREHENSIVE ANNUAL FINANCIAL REPORT

June 30, 1987

MONTANA

COMPREHENSIVE ANNUAL

FINANCIAL REPORT

for the fiscal year ended June 30, 1987

Prepared By:

Department of Administration
Ellen Feaver, CPA, Director

Accounting Division
Kathy Fabiano, CPA, Administrator
Karen Flansaas, Secretary

Accounting Principles/Financial Reporting Section
Teresa Timm, CPA
Fritz G. Roos, CPA
Bill Hangas, CPA
Penny Ackley

Accounting Systems Section
Terry Atwood
Robin Hein
Linda Haubein

Daily Transaction Control Section
Roger Muchmore, CPA
Theresa Field
Penny Killham

STATE OF MONTANA

SELECTED STATE OFFICIALS

EXECUTIVE

Ted Schwinden
Governor

George Turman
Lieutenant Governor

JUDICIAL

Jean Turnage
Chief Justice

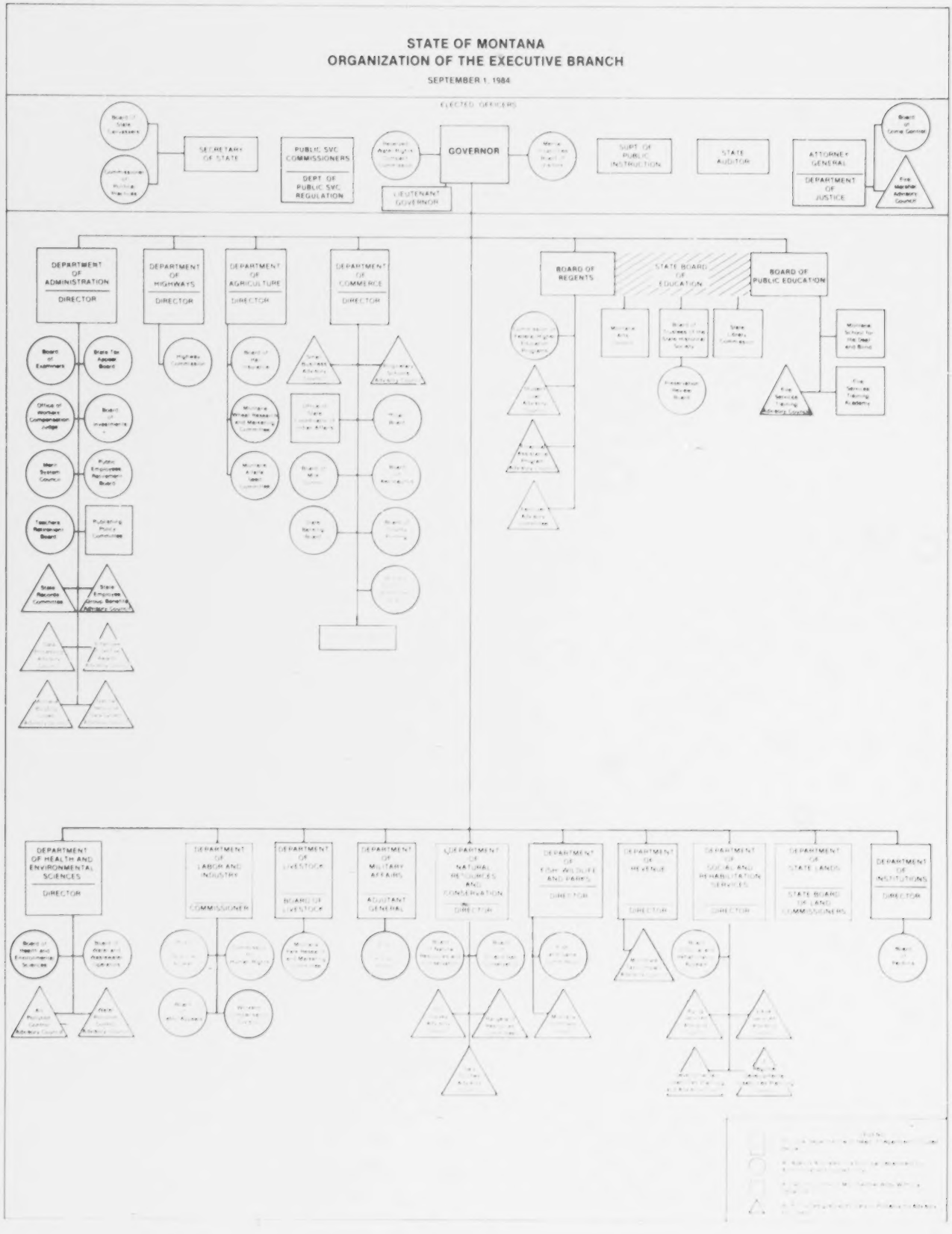
LEGISLATIVE

Dr. Bill Norman
President of the Senate

Bob Marks
Speaker of the House

STATE OF MONTANA
ORGANIZATION OF THE EXECUTIVE BRANCH

SEPTEMBER 1, 1984



STATE OF MONTANA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 1987

TABLE OF CONTENTS

Page

INTRODUCTORY SECTION

Title Page i
Selected State Officials ii
Organization Chart iii
Table of Contents iv
Letter of Transmittal 1
Graphic Presentations:
Revenues By Source - All Governmental Fund Types 5
Expenditures By Function - All Governmental Fund Types 6

FINANCIAL SECTION

Auditor's Opinion 10

Combined Statements - Overview ("Liftable" General Purpose Financial Statements):

Combined Balance Sheet - All Fund Types and Account Groups 11

Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types and Expendable Trust Funds 13

Combined Statement of Revenues, Expenditures, Other Financing Sources (Uses) and Reconciliation of Budget and Actual (Budgetary Basis) to GAAP Basis - General and Special Revenue Fund Types 14

Combined Statement of Revenues, Expenses and Changes in Retained Earnings/ Fund Balances - All Proprietary Fund Types and Similar Trust Funds 15

Combined Statement of Changes in Financial Position - All Proprietary Fund Types and Similar Trust Funds 16

Statement of Revenues, Expenditures, Transfers and Changes in Fund Balances - All Higher Education Funds 17

Notes to the Financial Statements 19

Combining Financial Statements/Schedules:

Governmental Funds

General Fund
Balance Sheet 48
Statement of Revenues, Expenditures and Changes in Fund Balance 49
Schedule of Expenditures and Transfers Out - Budget and Actual (Budget Basis) 50

Special Revenue Funds
Combining Balance Sheet 61
Combining Statement of Revenues, Expenditures and Changes in Fund Balances 62
Schedule of Revenues, Expenditures and Other Financing Sources (Uses) - Budget and Actual with Reconciliation of Expenditures/Other Financing Uses per the Statewide Budgeting and Accounting System (SBAS) to Budget Basis Statement in the GPFS - Special Revenue Funds 63
Schedule of Revenues, Expenditures and Other Financng Sources (Uses) - Budget and Actual - Other Special Revenue Funds 65
Schedules of Expenditures and Transfers Out - Budget and Actual (Budget Basis):
- State Special Revenue Fund 67
- Federal Special Revenue Fund 74
- Other Special Revenue Funds 82

Debt Service Funds
Combining Balance Sheet 89
Combining Statement of Revenues, Expenditures and Changes in Fund Balances 90

Capital Projects Funds
Combining Balance Sheet..... 93
Combining Statement of Revenues, Expenditures and Changes in Fund Balances..... 94
Project - Length Schedule of Expenditures and Transfers Out - Budget and Actual (Budget Basis)..... 95

Proprietary Funds
Schedule of Expenses and Transfers Out - Budget and Actual (Budget Basis)..... 101

Enterprise Funds
Combining Balance Sheet..... 105
Combining Statement of Revenues, Expenses and Changes in Retained Earnings..... 107
Combining Statement of Changes in Financial Position..... 109

Internal Service Funds
Combining Balance Sheet..... 113
Combining Statement of Revenues, Expenses and Changes in Retained Earnings..... 117
Combining Statement of Changes in Financial Position..... 121

Trust and Agency Funds
Combining Balance Sheet - All Trust and Agency Fund Types..... 126

Expendable Trust Funds
Combining Balance Sheet..... 129
Combining Statement of Revenues, Expenditures and Changes in Fund Balances..... 131

Nonexpendable Trust Funds
Combining Balance Sheet..... 135
Combining Statement of Revenues, Expenses and Changes in Fund Balances..... 137
Combining Statement of Changes in Financial Position..... 139

Pension Trust Funds
Combining Balance Sheet..... 143
Combining Statement of Revenues, Expenses and Changes in Fund Balances..... 145
Combining Statement of Changes in Financial Position..... 147

Agency Funds
Combining Balance Sheet..... 151
Combining Statement of Changes in Assets and Liabilities..... 153

General Fixed Assets Account Group
Schedule of General Fixed Assets by Sources..... 158
Schedule of General Fixed Assets by Function and Activity..... 159
Schedule of Changes in General Fixed Assets by Function and Activity..... 160

Higher Education Funds
Combining Balance Sheet..... 163

STATISTICAL SECTION

Revenues by Source - All Governmental Fund Types..... 168
Expenditures by Function - All Governmental Fund Types..... 168
Property Tax Levies and Collections..... 169
Taxable and Market (Assessed) Value of Property..... 169
Property Tax Rates - All Overlapping Governments..... 170
Property Tax Mill Levy for State Purposes..... 170
Ratio of Direct State Debt to Assessed Value and Direct State Debt per Capita..... 171
Ratio of Annual Debt Service to Total General Expenditures..... 171
Revenue Bond Coverage - Discrete Entities..... 172
Analysis of Outstanding Bonded Debt by Range of Interest Rate..... 172
Property Value, Construction and Bank Deposits..... 173
Income Data..... 174
Public Education Institutions Fall Enrollment..... 175
Demographic Statistics..... 176
Employment in Montana Industries..... 176
Major Private Employers in Montana..... 177
Miscellaneous Statistics..... 177

DEPARTMENT OF ADMINISTRATION
DIRECTOR'S OFFICE

TED SCHWINDEN, GOVERNOR — MITCHELL BUILDING

STATE OF MONTANA

(406) 444-2032 — HELENA, MONTANA 59620

October 30, 1987

To the Citizens, Governor and Members of the Legislature of the State of Montana:

In accordance with Section 17-2-110, Montana Code Annotated, I hereby transmit the Comprehensive Annual Financial Report (CAFR) of the State of Montana for the fiscal year ended June 30, 1987. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation rests with the Department of Administration.

Description of the CAFR

The organization, form and contents of this report and the accompanying financial statements and statistical tables were prepared in accordance with standards set forth by the Governmental Accounting Standards Board (GASB).

This CAFR is divided into three main sections: an introductory section containing an organization chart for the State and a table of contents; a financial section beginning with the independent auditor's report and containing the general purpose financial statements, combining statements by fund type and other schedules; and a statistical section including financial, economic and demographic data.

Accounting System/Budgetary Control

Montana's Statewide Budgeting and Accounting System (SBAS) is a centrally maintained, fully computerized, double-entry accounting system. SBAS records are computer edited.

In developing and evaluating the State's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and that the evaluation of costs and benefits requires estimates and judgments by management.

Budgetary control is imposed via legislative and administrative appropriations. SBAS is designed to prevent spending in excess of legislative and administrative authority and/or available cash.

Reporting Entity

The accompanying financial statements include the funds and account groups of all agencies, colleges and universities, vocational-technical centers, boards, commissions and financing authorities that are controlled by or are dependent on the State. Control by or dependence on the State is determined on the basis of the following criteria, as defined in GASB Cod. Sec. 2100: selection of governing authority, designation of management, ability to significantly influence operations, accountability for fiscal matters and scope of public service.

Independent Audit

The financial statements contained in Montana's Comprehensive Annual Financial Report were audited in accordance with generally accepted auditing standards by the Office of the Legislative Auditor. The Legislative Auditor is appointed by and reports to the Legislative Audit Committee. The Deputy Legislative Auditor issued an unqualified opinion on the State's financial statements for Fiscal Year 1987.

publications & graphics

AN EQUAL OPPORTUNITY EMPLOYER

General Governmental Functions
(Includes General, Special Revenue, Debt Service and Capital Projects Funds)

Revenues for general governmental functions decreased 3.5% from Fiscal Year 1986 to Fiscal Year 1987. The amount of revenue from various sources is shown in the following table:

Revenue Source	Amount (in thousands) 1987	Amount (in thousands) 1986	Percent of Total 1987	Percent of Total 1986
Licenses/Permits	$ 80,444	$ 77,537	6.9%	6.4%
Taxes	578,509	599,112	49.5	49.5
Charges for Services/Fines/Forfeits	48,340	35,125	4.1	2.9
Investment Earnings	24,920	68,879	2.1	5.7
Sale of Documents/Etc.	5,749	15,220	0.5	1.3
Rentals/Leases/Royalties	796	888	0.1	0.1
Grants/Contracts/Donations	6,254	3,942	0.5	0.3
Federal	413,923	400,247	35.4	33.0
Federal Indirect Cost Recoveries	3,296	3,032	0.3	0.2
Other Revenues	6,644	7,247	0.6	0.6
Total Revenues	$1,168,875	$1,211,229	100.0%	100.0%

An environment of declining interest rates as well as less money to invest contributed to a 63.8% decrease in investment earnings in these funds.

Expenditures for general governmental functions were $1.3 billion in Fiscal Year 1987, an increase of 4.6% over Fiscal Year 1986. Expenditures by function are shown in the following table:

Expenditure Function	Amount (in thousands) 1987	Amount (in thousands) 1986	Percent of Total 1987	Percent of Total 1986
General Government	$ 51,054	$ 56,461	3.9%	4.4%
Public Safety/Corrections	58,140	57,382	4.4	4.5
Transportation	242,470	269,806	18.3	21.3
Health/Social Services	352,299	304,708	26.6	24.1
Education/Cultural	313,616	318,640	23.7	25.2
Resource Development/Recreation	48,468	52,385	3.7	4.2
Economic Development/Assistance	87,737	87,887	6.6	6.9
Debt Service	139,252	77,448	10.5	6.1
Capital Outlay	30,815	41,118	2.3	3.3
Total Expenditures	$1,323,851	$1,265,835	100.0%	100.0%

The increase in debt service expenditures was due primarily to the advance refunding of all Department of Highways' bonds and bond anticipation notes.

General Fund Summary

The General Fund had an unreserved fund balance of $10.557 million at June 30, 1987 which can be summarized as follows (in thousands):

Fund Balance, July 1, 1986	$ 18,754
Excess of Revenues Over (Under) Expenditures	(19,127)
Operating Transfers In	85,002
Operating Transfers Out	(106,838)
Bond Proceeds	126
Inception of Lease/Installment Purchase	74
Equity Transfers From (To):	
Public Service Regulation	17
Department of Commerce (Education Nonexpendable Trust)	36,000
Department of Natural Resources	351
Architecture & Engineering (Long-Range Building)	5,145
Institutions	38
Department of Agriculture	(197)
Decrease in Inventories	(13)
Fund Balance, June 30, 1987	19,332
Reserved for Encumbrances	(1,531)
Reserved for Inventories	(1,792)
Reserved for Long-Term Loans	(5,452)
Unreserved	$ 10,557

Debt Administration

Montana receives excellent bond ratings from both Moody's Investors Service (Aa) and Standard & Poor's Corporation (AA-). State debt may be authorized either by a two-thirds vote of the members of each house of the Legislature or by a favorable vote of a majority of the State's electors voting thereon. There is no constitutional limit on the amount of debt that may be incurred by the State. The Montana Constitution does, however, prohibit the incurring of debt to cover deficits caused by appropriations exceeding anticipated revenue. General obligation debt decreased from $106.8 million at June 30, 1986 to $99.4 million at June 30, 1987.

The ratio of general obligation debt to assessed valuation and the amount of general obligation debt per capita are:

	Amount (in thousands)	Ratio of Debt to 1986 Assessed Value	Personal Income Debt Per Capita*
General Obligation Debt	$99,402	.36%	$121.37

* Based on 1986 Montana population.

Cash Management

The uniform investment program established by the 1982 Montana Constitution directs that the Board of Investments has sole authority to invest State funds. Permissible investments include bonds, notes, debentures, equipment obligations, common stock, commercial paper, bankers acceptances, interest bearing deposits in Montana financial institutions, real estate and any other investment in a Montana business that continues existing jobs or creates new jobs. These investments are subject to statutory restrictions for quality and size of holdings.

Unless otherwise provided by law, treasury cash is pooled for investment regardless of the fund from which it is deposited and the pool's investment earnings are credited to the General Fund. The Board reported total investment income from investments under their management of $237.6 million, a decrease of .7% from the $239.3 million earned last year. The book value of Board managed investments rose 12.3% to $2.371 billion from $2.112 billion at fiscal year-end 1986. The Board publishes an annual audited report of all its investment activity. That report can be referenced for more in-depth portfolio information.

Significant Events

The 1986-87 biennium was the most financially difficult time period for the State of Montana in at least fifteen years. During the period, the State suffered the worst drought since 1960. The fiscal situation was compounded by low farm commodity prices, low oil prices and pressure on coal prices and production as a result, and reduced interest earnings from lower interest rates. Despite the difficulties, prompt action by both the Governor and the Legislature ensured a balanced budget throughout the period.

During the biennium, the Governor twice reduced the expenditure authority of State programs. He also called a special session in June of 1986 to deal with a projected $88 million deficit. The Legislature responded, adopting 28 of 29 of the Governor's budget recommendations. Revenues were increased by $50.7 million, expenditures were reduced by $21.4 million and cash from other accounts was transferred to the General Fund in the amount of $8.3 million.

In the fiscal year ending June 30, 1987, notwithstanding actions taken at the June 1986 special session, revenues had not reached projections and social service entitlement program costs had exceeded expectations. The Governor responded by reducing spending by an additional 2% in November 1986. When the 1987 Legislature met in early 1987, it transferred $35 million from the Education Nonexpendable Trust Fund to the General Fund to ensure that the State would maintain a positive fund balance in Fiscal Year 1987.

Future Prospects

The 1987 Legislature faced a projected $100 million deficit for the 1989 biennium using existing statutory revenues and expenditures.

At the Governor's urging, the Legislature did not increase total expenditures despite increased costs for growing welfare caseloads and entitlement social service programs. Higher enrollments in elementary and secondary schools also added to the costs of State education programs. Total expenditures for the fiscal years ending June 30, 1988 and 1989 will each be less than Fiscal Year 1987 expenditures.

With the Governor's concurrence, the Legislature froze the salaries of State employees for the 1988-89 biennium and reduced the State work force from 14,600 to 13,700. The pay freeze was the first since the adoption of a uniform pay plan in 1975. Additionally, the Legislature froze State aid to public schools, the first freeze in the school foundation program since its creation in 1949. Benefit levels for almost all entitlement programs were frozen or reduced for the 1988-89 biennium. The university system also consolidated certain administrative functions of the University of Montana and Western Montana College.

On the revenue side, the Legislature included the increased State individual income tax collections due to federal tax reform in the base of ongoing revenues for the 1988-89 biennium and beyond. Federal tax reform is estimated to increase projected revenues by $24.6 million in fiscal year 1988 and $41.4 million in fiscal year 1989. In addition, the Legislature imposed a 10% surtax on individual income taxes for the 1988-89 biennium, raising an estimated $40.2 million. Fees on vehicles were increased to fund the State's aid program for local governments, freeing up $15 million of oil severance tax for the General Fund. Insurance premium taxes will be collected on a quarterly basis rather than a yearly basis, generating $12.6 million of additional, one-time revenue in Fiscal Year 1988. Coal severance tax proceeds that would otherwise have been deposited in the Education Nonexpendable Trust Fund will be used to finance the State's contribution to elementary and secondary education costs, saving the General Fund $24.6 million. Gas and diesel taxes were increased by three cents per gallon from 17 cents to 20 cents. While fuel tax revenues must be used for highway construction, the increased interest earnings to the General Fund amount to $2.7 million.

After the transfer from the Education Nonexpendable Trust Fund to the General Fund in Fiscal Year 1987, total funds invested in trusts for which interest earnings provide revenue to the General Fund are still expected to increase between the 1987 and 1989 bienniums. Constitutional provisions require continuing deposits to the Permanent Coal Tax, Resource Indemnity and Land Grants Nonexpendable Trust Funds. Total trust balances are projected to be $741.813 million on July 1, 1989.

Of the funds in trust, $25.808 million may be expended by a simple majority vote of the Legislature and $337.834 million may be expended by a three-quarter vote of both houses. The remaining amount would require a constitutional change to be appropriated.

Acknowledgements

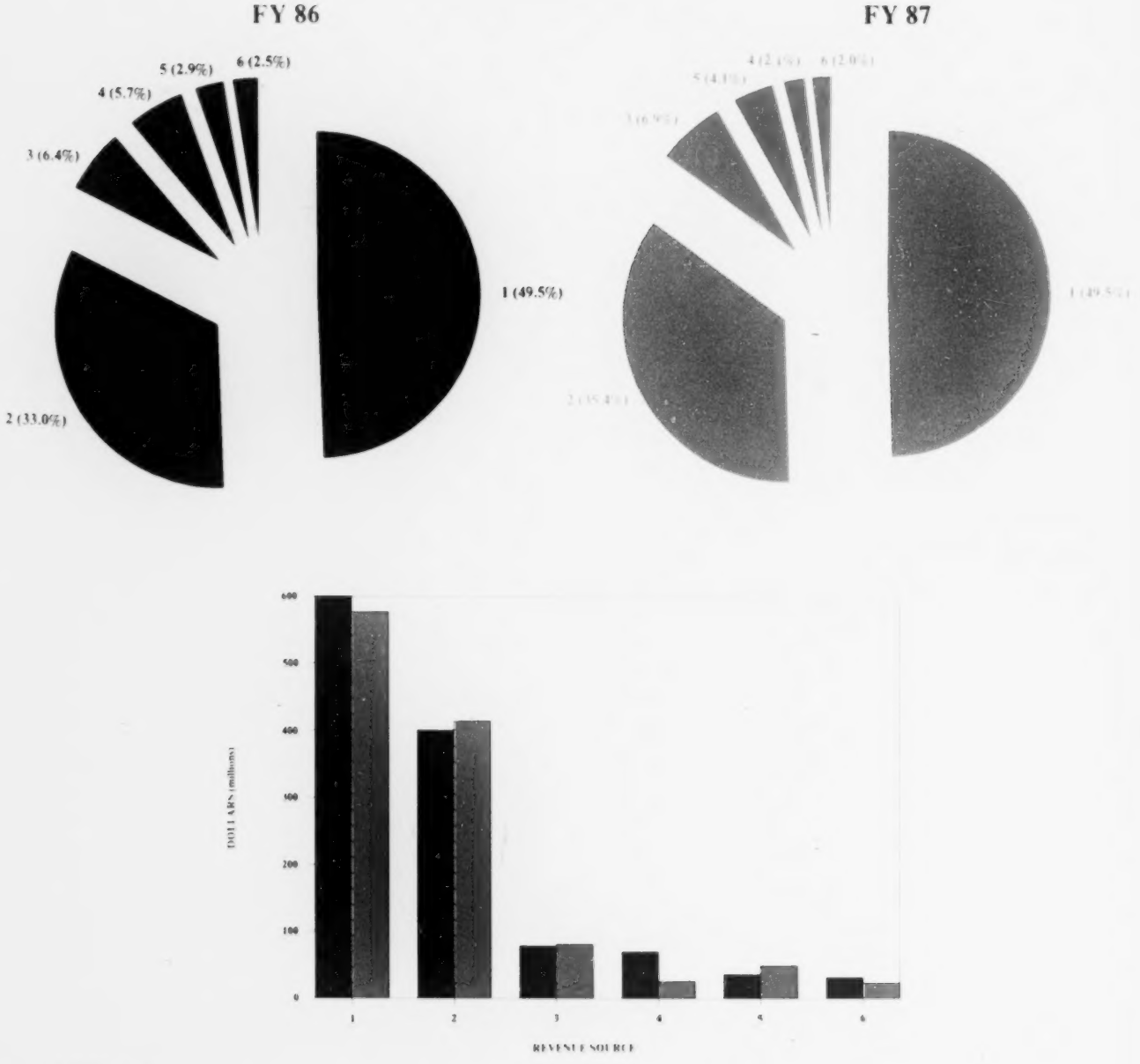
The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Accounting Division. I would like to express my appreciation to Accounting Division personnel. I also thank the Legislature and all State agencies for their interest and support in planning and conducting the financial operations of Montana in a professionally responsible and progressive manner.

Respectfully submitted,

Ellen Feaver

ELLEN FEAVER, CPA, Director
Department of Administration

STATE OF MONTANA
REVENUES BY SOURCE
ALL GOVERNMENTAL FUND TYPES



LEGEND:

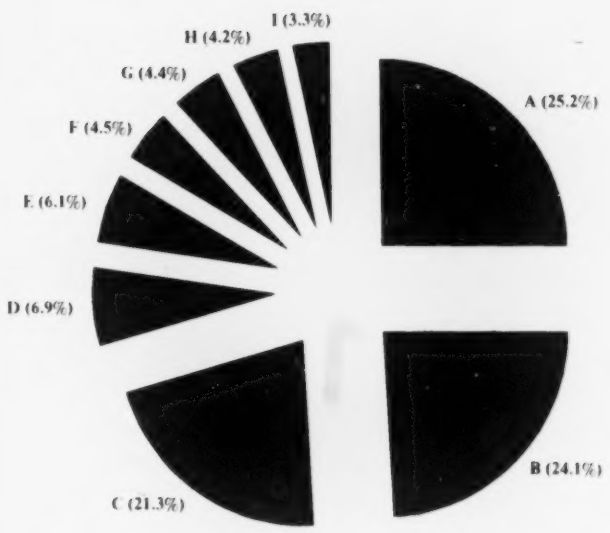
- FY86

- FY87

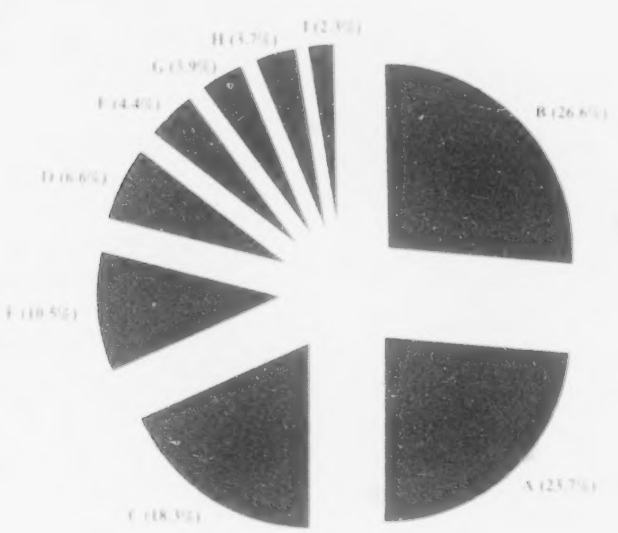
1 - Taxes
2 - Federal
3 - Licenses/Permits
4 - Investment Earnings
5 - Charges for Service/Fines/Forfeits
6 - Other Revenues (includes contributions, premiums, rentals, leases, royalties, grants, contracts, donations, federal indirect cost recoveries and sale of documents, merchandise and property)

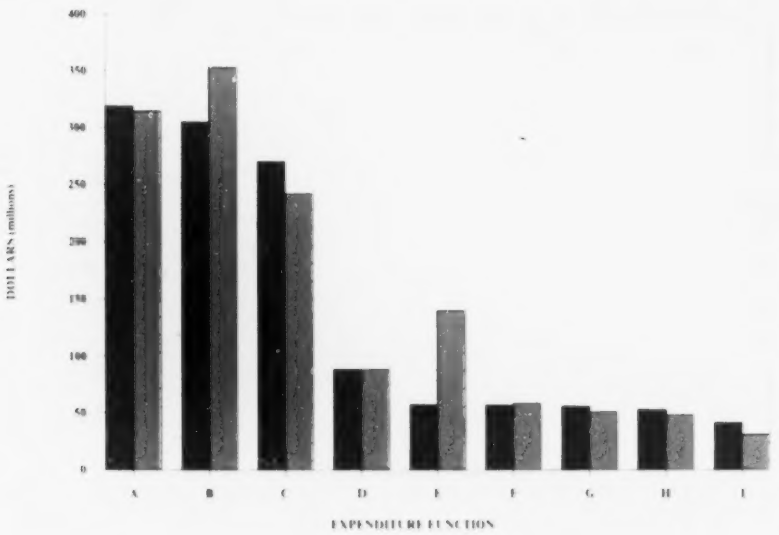
STATE OF MONTANA
EXPENDITURES BY FUNCTION
ALL GOVERNMENTAL FUND TYPES

FY 86



FY 87





LEGEND:

- FY86

- FY87

A - Education/Cultural
B - Health/Social Services
C - Transportation
D - Economic Development/Assistance
E - Debt Service
F - Public Safety/Corrections
G - General Government
H - Resource Development/Recreation
I - Capital Outlay

PAGE LEFT INTENTIONALLY BLANK

GENERAL PURPOSE FINANCIAL STATEMENTS

The following financial statements present the financial position of all fund types and account groups and the operating results of all fund types.

PHOTO COURTESY OF MONTANA PROMOTION DIVISION

MONTANA

naturally inviting!

PAGE LEFT INTENTIONALLY BLANK

STATE OF MONTANA

Office of the Legislative Auditor

STATE CAPITOL
HELENA, MONTANA 59620
406/444-3122

SCOTT A. SEACAT
LEGISLATIVE AUDITOR

DEPUTY LEGISLATIVE AUDITORS:
JAMES GILLETT
FINANCIAL-COMPLIANCE AUDITS
JIM PELLEGRINI
PERFORMANCE AUDITS

LEGAL COUNSEL:
JOHN W. NORTHEY

To the Legislative Audit Committee
of the Montana State Legislature:

We have examined the general purpose financial statements of the State of Montana as of and for the year ended June 30, 1987, as listed in the Table of Contents. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. We did not examine the financial statements of the Montana Board of Housing which statements reflect total assets, liabilities, revenues, and expenses of 87 percent, 91 percent, 42 percent, and 46 percent, respectively, of the related Enterprise Fund Type. These statements were examined by other auditors whose report thereon was furnished to us, and our opinion expressed herein insofar as it relates to the amounts included for the Montana Board of Housing is based solely upon the report of other auditors.

In our opinion, based upon our examination and the report of other auditors, the general purpose financial statements referred to in the Table of Contents present fairly the financial position of the State of Montana at June 30, 1987, and the results of operation and the changes in financial position of its proprietary fund types for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Our examination was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining financial statements listed in the Table of Contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the State of Montana. Such information has been subjected to the auditing procedures applied in the examination of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

Respectfully submitted,

James Gillett

James Gillett, CPA
Deputy Legislative Auditor

October 30, 1987

STATE OF MONTANA
Combined Balance Sheet
All Fund Types and Account Groups
June 30, 1987
(Expressed in Thousands)

	GOVERNMENTAL FUND TYPES				PROPRIETARY FUND TYPES	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	ENTERPRISE	INTERNAL SERVICE
ASSETS/OTHER DEBITS:						
Cash/Cash Equivalents (Note 4)	$ 8,766	$ 99,366	$ 12,863	$ 4,558	$ 101,870	$ 9,441
Cash with Fiscal Agent (Note 4)	-	1,074	-	-	2,194	6
Receivables (Net)	18,981	21,871	2,845	177	10,378	535
Interfund Loans Receivable (Note 5)	8,988	12,438	-	400	-	3,280
Due from Other Governments	240	33,031	-	132	-	-
Due from Other Funds (Note 5)	23,708	30,589	315	345	1,976	2,951
Inventories	1,792	17,311	-	-	7,897	3,379
Equity in Pooled Cash/Investments (Note 4)	-	73,180	2,579	14,266	16,676	3,288
Long-Term Loans/Notes Receivable	389	9,756	16,423	76	455,456	29
Investments (Note 4)	-	51,688	10,642	-	73,617	3,668
Deferred (Gains) Losses	-	-	-	-	-	-
Land	-	-	-	-	-	926
Buildings/Improvements	-	-	-	-	2,119	1,317
Equipment	-	-	-	-	2,235	72,514
Other Fixed Assets	-	-	-	-	5	10
Construction in Progress	-	-	-	-	-	84
Accumulated Depreciation	-	-	-	-	(1,334)	(31,790)
Intangible Assets	-	-	-	-	874	50
Amount Available - Special Revenue Funds	-	-	-	-	-	-
Amount Available - Debt Service Funds	-	-	-	-	-	-
Resources to be Provided in Future Years	-	-	-	-	-	-
Other Assets	405	1,667	-	3	68	18
TOTAL ASSETS/OTHER DEBITS	$ 63,269	$ 351,971	$ 45,667	$ 19,957	$ 674,031	$ 69,706
LIABILITIES/FUND EQUITY:						
Liabilities:						
Accounts Payable	$ 20,631	$ 47,368	$ 1,890	$ 1,186	$ 6,619	$ 2,082
Lottery Prizes Payable	-	-	-	-	1,094	-
Interfund Loans Payable (Note 5)	-	22,489	-	400	1,380	550
Due to Other Governments	47	2,918	-	-	-	-
Due to Other Funds (Note 5)	4,822	29,130	382	419	3,518	1,095
Deferred Revenue	17,494	16,758	1,695	60	514	24
Installment Purchase/Lease Payable (Note 7)	-	-	-	-	824	9,964
Bonds/Notes Payable (Net) (Note 6)	-	-	-	-	581,669	-
Property Held in Trust	942	1,853	-	219	-	128
Compensated Absences Payable (Note 1)	-	-	-	-	412	1,597
Estimated Insurance Claims (Note 14)	-	-	-	-	4,553	-
Other Liabilities	1	-	-	-	-	-
Total Liabilities	43,937	120,516	3,967	2,284	600,583	15,440
Fund Equity:						
Investment in Fixed/Plant Assets	-	-	-	-	-	-
Contributed Capital	-	-	-	-	2,585	2,755
Fund Balances/Retained Earnings:						
Reserved For:						
Encumbrances	1,531	15,676	-	-	-	-
Inventories	1,792	17,311	-	-	-	-
Long-Term Loans	5,452	7,295	16,423	-	-	-
Debt Service	-	19,100	25,277	-	41,836	-
Employee Benefits	-	-	-	-	21,064	-
Insurance Claims	-	-	-	-	-	7,085
Student Loans/Trust Principal/Endowments	-	-	-	-	-	-
Retirement Systems	-	-	-	-	-	-
Unreserved	10,557	172,073	-	17,673	7,963	44,426
Total Fund Equity	19,332	231,455	41,700	17,673	73,448	54,266
Commitments/Contingencies (Notes 9/13)						
TOTAL LIABILITIES/FUND EQUITY	$ 63,269	$ 351,971	$ 45,667	$ 19,957	$ 674,031	$ 69,706

The notes to the financial statements are an integral part of this statement.

FIDUCIARY FUND TYPES	ACCOUNT GROUPS			TOTALS - JUNE 30 (MEMORANDUM ONLY)	
TRUST AND AGENCY	GENERAL FIXED ASSETS	GENERAL LONG-TERM OBLIGATIONS	HIGHER EDUCATION FUNDS	1987	1986
$ 99,177	$ -	$ -	$ 20,952	$ 356,993	$ 757,460
-	-	-	6,112	9,386	16,404
77,980	-	-	20,927	153,694	141,713
287	-	-	4,946	30,339	50,000
109	-	-	1,375	34,887	31,563
39,984	-	-	19,599	119,467	138,457
-	-	-	4,498	34,877	33,155
583,603	-	-	11,624	705,216	438,849
24,321	-	-	37	506,487	534,946
1,583,807	-	-	12,280	1,735,702	1,775,319
16,796	-	-	-	16,796	21,618
49,459	44,612	-	9,038	104,035	97,617
341	176,289	-	255,622	435,688	393,721
169	62,236	-	87,433	224,587	208,947
-	27,214	-	45,052	72,281	68,866
-	6,112	-	2,997	9,193	32,176
(216)	-	-	-	(33,340)	(29,171)
-	-	-	410	1,334	267
-	-	19,100	-	19,100	-
-	-	41,700	-	41,700	73,198
-	-	244,258	-	244,258	197,392
23,645	-	-	7,525	33,331	26,920
$ 2,499,462	$ 316,463	$ 305,058	$ 510,427	$ 4,856,011	$ 5,009,417
$ 8,566	$ -	$ -	$ 17,733	$ 106,075	$ 95,924
-	-	-	-	1,094	-
108	-	-	5,412	30,339	50,000
51,037	-	-	251	54,253	22,186
66,743	-	-	13,358	119,467	138,457
2,827	-	-	1,225	40,597	44,996
-	-	171	1,164	12,123	14,485
-	-	279,064	78,258	938,991	1,033,785
323,493	-	-	1,500	328,135	572,230
72	-	25,823	13,299	41,203	39,860
-	-	-	-	4,553	4,336
1,473	-	-	6,492	7,966	27,684
454,319	-	305,058	138,692	1,684,796	2,043,943
-	316,463	-	336,844	653,307	622,521
-	-	-	-	5,340	3,375
-	-	-	1,111	18,318	11,310
-	-	-	-	19,103	19,163
1,780	-	-	-	30,950	23,151
-	-	-	9,442	95,655	107,786
-	-	-	-	21,064	14,397
-	-	-	-	7,085	13,422
702,211	-	-	14,277	716,488	702,327
1,244,503	-	-	-	1,244,503	1,100,405
96,649	-	-	10,061	359,402	347,617
2,045,143	316,463	-	371,735	3,171,215	2,965,474
$ 2,499,462	$ 316,463	$ 305,058	$ 510,427	$ 4,856,011	$ 5,009,417

STATE OF MONTANA
Combined Statement of Revenues, Expenditures and Changes in Fund Balances
All Governmental Fund Types and Expendable Trust Funds
For the Fiscal Year Ended June 30, 1987
(Expressed in Thousands)

	GOVERNMENTAL FUND TYPES				FIDUCIARY FUND TYPE	TOTALS (MEMORANDUM ONLY) YEAR ENDED JUNE 30	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	EXPENDABLE TRUST	1987	1986
REVENUES:							
Licenses/Permits	$ 27,732	$ 52,712	$ -	$ -	$ -	$ 80,444	$ 77,537
Taxes:							
Gas/Oil/Coal Production	30,546	25,818	39,115	-	-	95,479	111,926
Individual Income	121,479	52,320	20,879	-	-	194,678	172,216
Corporate Income	19,683	11,501	3,383	-	-	34,567	58,546
Other	20,905	220,264	10,207	2,409	-	253,785	256,424
Charges for Services/Fines/Forfeits	16,576	29,976	825	963	1,724	50,064	37,264
Investment Earnings	15,214	5,835	2,519	1,352	52,180	77,100	115,066
Sale of Documents/Mdse./Property	3,468	2,281	-	-	-	5,749	15,222
Rentals/Leases/Royalties	136	660	-	-	-	796	888
Contributions/Premiums	-	451	-	-	130,839	131,290	128,005
Grants/Contracts/Donations	1	2,654	-	3,599	30	6,284	3,946
Federal	352	413,047	220	304	2,315	416,238	401,114
Federal Indirect Cost Recoveries	550	2,746	-	-	-	3,296	3,032
Other Revenues	2,946	3,244	3	-	1,091	7,284	16,833
Total Revenues	259,588	823,509	77,151	8,627	188,179	1,357,054	1,398,019
Intrafund Revenues	-	(10,332)	(61)	(162)	-	(10,555)	(11,496)
Net Revenues	259,588	813,177	77,090	8,465	188,179	1,346,499	1,386,523
EXPENDITURES:							
Current:							
General Government	33,697	17,291	10	56	-	51,054	56,465
Public Safety/Corrections	30,659	27,481	-	-	-	58,140	57,382
Transportation	1,620	240,850	-	-	442	242,912	271,580
Health/Social Services	134,554	217,745	-	-	-	352,299	304,708
Education/Cultural	45,322	268,294	-	-	27	313,643	318,643
Resource Development/Recreation	11,256	37,189	-	23	-	48,468	52,385
Economic Development/Assistance	15,547	72,190	-	-	131,600	219,337	211,724
Debt Service:							
Principal Retirement	65	155	116,173	-	-	116,393	55,491
Interest/Fiscal Charges	4,345	170	18,344	-	-	22,859	21,957
Capital Outlay	1,650	15,051	-	14,114	8	30,823	41,120
Total Expenditures	278,715	896,416	134,527	14,193	132,077	1,455,928	1,391,455
Intrafund Expenditures	-	(10,332)	(61)	(162)	-	(10,555)	(11,496)
Net Expenditures	278,715	886,084	134,466	14,031	132,077	1,445,373	1,379,959
Excess of Revenues Over (Under) Expenditures	(19,127)	(72,907)	(57,376)	(5,566)	56,102	(98,874)	6,564
OTHER FINANCING SOURCES (USES):							
Bond Proceeds	126	78,378	71,320	-	-	149,824	83,750
Inception of Lease/Installment Contract	74	3	-	-	-	77	232
General Fixed Asset Sale Proceeds	-	4	-	-	-	4	1
Operating Transfers In (Note 5)	85,002	87,184	29,326	-	-	201,512	149,612
Operating Transfers Out (Note 5)	(106,838)	(43,780)	(71,542)	(1,214)	(51,338)	(274,712)	(277,658)
Total Other Financing Sources (Uses)	(21,636)	121,789	29,104	(1,214)	(51,338)	76,705	(44,063)
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses	(40,763)	48,882	(28,272)	(6,780)	4,764	(22,169)	(37,499)
FUND BALANCES - JULY 1 - As Previously Reported	18,754	180,285	73,198	29,547	92,858	394,642	421,006
Prior Period Adjustments (Note 2)	-	6,700	(6,307)	-	799	1,192	8,765
FUND BALANCES - July 1 - As Restated	18,754	186,985	66,891	29,547	93,657	395,834	429,771
Increase (Decrease) in Inventories	(13)	(47)	-	-	-	(60)	714
Decrease in Long-Term Loans	-	(38)	-	-	-	(38)	(34)
Residual Equity Transfers (Note 5)	41,354	(4,327)	3,081	(5,094)	-	35,014	1,690
FUND BALANCES - JUNE 30	$ 19,332	$ 231,455	$ 41,700	$ 17,673	$ 98,421	$ 408,581	$ 394,642

The notes to the financial statements are an integral part of this statement.

STATE OF MONTANA
Combined Statement of Revenues, Expenditures, Other Financing Sources (Uses)
and Reconciliation of Budget and Actual (Budgetary Basis) to GAAP Basis
General and Special Revenue Fund Types
For the Fiscal Year Ended June 30, 1987
(Expressed in Thousands)

	GENERAL FUND			SPECIAL REVENUE FUNDS			TOTALS (MEMORANDUM ONLY)		
	BUDGET	ACTUAL	VARIANCE OVER (UNDER)	BUDGET	ACTUAL	VARIANCE OVER (UNDER)	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES:									
Licenses/Permits	$ 25,293	$ 27,732	$ 2,439	$ 51,118	$ 52,712	$ 1,594	$ 76,411	$ 80,444	$ 4,033
Taxes:									
Gas/Oil/Coal Production	33,984	30,546	(3,438)	27,758	25,818	(1,940)	61,742	56,364	(5,378
Individual Income	123,968	121,479	(2,489)	48,425	52,320	3,895	172,393	173,799	1,406
Corporate Income	28,101	19,683	(8,418)	15,555	11,501	(4,054)	43,656	31,184	(12,472
Other Taxes	19,822	20,905	1,083	135,309	140,543	5,234	155,131	161,448	6,317
Charges for Services/Fines/Forfeits	16,155	16,576	421	32,958	29,977	(2,981)	49,113	46,553	(2,560
Investment Earnings	12,343	15,214	2,871	39,952	41,687	1,735	52,295	56,901	4,606
Sale of Documents/Merchandise/Property	78	3,468	3,390	2,065	2,282	217	2,143	5,750	3,607
Rentals/Leases/Royalties	235	136	(99)	627	660	33	862	796	(66
Contributions/Premiums	-	-	-	300	450	150	300	450	150
Grants/Contracts/Donations	-	1	1	4,821	2,655	(2,166)	4,821	2,656	(2,165
Federal	249	352	103	409,783	413,047	3,264	410,032	413,399	3,367
Federal Indirect Cost Recoveries	406	550	144	2,119	2,745	626	2,525	3,295	770
Other Revenues	679	2,946	2,267	398	3,243	2,845	1,077	6,189	5,112
Total Revenues	261,313	259,588	(1,725)	771,188	779,640	8,452	1,032,501	1,039,228	6,727
EXPENDITURES:									
Current:									
General Government	38,114	33,798	4,316	32,942	16,617	16,325	71,056	50,415	20,641
Public Safety/Corrections	31,874	30,532	1,342	31,137	27,747	3,390	63,011	58,279	4,732
Transportation	1,757	1,645	112	277,790	253,341	24,449	279,547	254,986	24,561
Health/Social Services	136,200	134,285	1,915	222,001	215,213	6,788	358,201	349,498	8,703
Education/Cultural	45,463	45,332	131	192,597	188,650	3,947	238,060	233,982	4,078
Resource Development/Recreation	11,376	11,271	105	75,037	45,918	29,119	86,413	57,189	29,224
Economic Development/Assistance	15,879	15,651	228	97,079	72,404	24,675	112,958	88,055	24,903
Debt Service:									
Principal Retirement	76	76	-	156	155	1	232	231	1
Interest/Fiscal Charges	4,345	4,345	-	164	164	-	4,509	4,509	-
Capital Outlay	2,173	2,169	4	15,161	15,161	-	17,334	17,330	4
Total Expenditures	287,257	279,104	8,153	944,064	835,370	108,694	1,231,321	1,114,474	116,847
Excess of Revenues Over (Under) Expenditures	(25,944)	(19,516)	6,428	(172,876)	(55,730)	117,146	(198,820)	(75,246)	123,574
OTHER FINANCING SOURCES (USES):									
Bond Proceeds	125	126	1	96,147	78,378	(17,769)	96,272	78,504	(17,768
Operating Transfers In	84,577	84,052	(525)	101,988	83,145	(18,843)	186,565	167,197	(19,368
Operating Transfers Out	(121,535)	(106,788)	14,747	(87,653)	(75,944)	11,709	(209,188)	(182,732)	26,456
Total Other Financings Sources (Uses)	(36,833)	(22,610)	14,223	110,482	85,579	(24,903)	73,649	62,969	(10,680
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses (Budgetary Basis)	(62,777)	(42,126)	20,651	(62,394)	29,849	92,243	(125,171)	(12,277)	112,894
RECONCILIATION OF BUDGETARY/GAAP REPORTING:									
1. Adjust expenditures for encumbrances.	-	605	605	-	7,085	7,085	-	7,690	7,690
2. Adjustments for appropriated loans/ other nonbudgeted activity.	-	758	758	-	11,948	11,948	-	12,706	12,706
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses (GAAP Basis)	(62,777)	(40,763)	22,014	(62,394)	48,882	111,276	(125,171)	8,119	133,290
Unreserved Fund Balances - July 1	16,002	16,002	-	146,356	146,356	-	162,358	162,358	-
Residual Equity Transfers	41,354	41,354	-	(4,327)	(4,327)	-	37,027	37,027	-
Decrease (Increase):									
Encumbrances Reserve	-	(584)	(584)	-	(6,646)	(6,646)	-	(7,230)	(7,230
Debt Service Reserve	-	-	-	-	(19,100)	(19,100)	-	(19,100)	(19,100
Long-Term Loans & Reserve	-	(5,452)	(5,452)	-	208	208	-	(5,244)	(5,244
Prior Period Adjustments	-	-	-	-	6,700	6,700	-	6,700	6,700
Unreserved Fund Balances - June 30	$ (5,421)	$ 10,557	$ 15,978	$ 79,635	$ 172,073	$ 92,438	$ 74,214	$ 182,630	$ 108,416

The notes to the financial statements are an integral part of this statement.

STATE OF MONTANA
Combined Statement of Revenues, Expenses and Changes in Retained Earnings/Fund Balances
All Proprietary Fund Types and Similar Trust Funds
For the Fiscal Year Ended June 30, 1987
(Expressed in Thousands)

	PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES		TOTALS (MEMORANDUM ONLY) YEAR ENDED JUNE 30	
	ENTERPRISE	INTERNAL SERVICE	NONEXPENDABLE TRUST	PENSION TRUST	1987	1986
OPERATING REVENUES:						
Charges for Services	$ 60,330	$ 45,198	$ 1,798	$ 655	$ 107,981	$ 106,268
Investment Earnings	63,564	1,619	50,060	122,547	237,790	196,363
Contributions/Premiums	7,421	-	-	126,180	133,601	123,117
Taxes	9,153	-	4,340	-	13,493	26,231
Rentals/Leases/Royalties	-	-	5,689	-	5,689	6,203
Grants/Contracts/Donations	-	10	683	-	693	742
Other Operating Revenues	38	52	39	36	165	2,626
Total Operating Revenues	140,506	46,879	62,609	249,418	499,412	461,550
Intrafund Revenues	(65)	(39)	-	(221)	(325)	-
Net Operating Revenues	140,441	46,840	62,609	249,197	499,087	461,550
OPERATING EXPENSES:						
Personal Services	5,139	14,831	-	724	20,694	20,213
Contractual Services	5,256	3,634	-	303	9,193	7,604
Supplies/Materials	26,224	7,959	-	19	34,202	36,364
Expendable Equipment	4	71	-	2	77	-
Benefits	24,047	5,424	-	89,920	119,391	103,779
Refunds	-	-	-	14,056	14,056	13,009
Depreciation	184	5,811	-	23	6,018	5,079
Utilities/Rent	955	2,017	-	48	3,020	3,278
Communications	435	5,956	-	71	6,462	6,596
Travel	91	280	-	13	384	-
Repair/Maintenance	108	2,895	-	32	3,035	3,412
Lottery Prize Payments	2,164	-	-	-	2,164	-
Debt Service	55,565	1,025	-	-	56,590	57,076
Other Operating Expenses	315	364	-	113	792	1,983
Total Operating Expenses	120,487	50,267	-	105,324	276,078	258,393
Intrafund Expenses	(65)	(39)	-	(221)	(325)	-
Net Operating Expenses	120,422	50,228	-	105,103	275,753	258,393
Operating Income (Loss)	20,019	(3,388)	62,609	144,094	223,334	203,157
NONOPERATING REVENUES (EXPENSES):						
Gain (Loss) Sale of Fixed Assets	(7)	(130)	4,907	(2)	4,768	41
Increase (Decrease) in Value of Livestock	-	498	-	-	498	(146)
Federal Indirect Cost Recoveries	-	663	-	-	663	660
Other Nonoperating Revenues (Expenses)	-	-	-	-	-	(2)
Total Nonoperating Revenues (Expenses)	(7)	1,031	4,907	(2)	5,929	553
Income (Loss) Before Operating Transfers	20,012	(2,357)	67,516	144,092	229,263	203,710
Operating Transfers In (Out) (Note 5)	(13,940)	2,491	(16,411)	-	(27,860)	22,947
Net Income (Loss)	6,072	134	51,105	144,092	201,403	226,657
RETAINED EARNINGS/FUND BALANCES - July 1 As Previously Reported	61,615	52,528	687,770	1,100,405	1,902,318	1,682,778
Prior Period Adjustments (Note 2)	3,206	(1,100)	(1,447)	6	665	(7,097)
RETAINED EARNINGS/FUND BALANCES - July 1 - As Restated	64,821	51,428	686,323	1,100,411	1,902,983	1,675,681
Residual Equity Transfers (Note 5)	(30)	(51)	(35,209)	-	(35,290)	(20)
RETAINED EARNINGS/FUND BALANCES - JUNE 30	$ 70,863	$ 51,511	$ 702,219	$1,244,503	$2,069,096	$1,902,318

The notes to the financial statements are an integral part of this statement.

STATE OF MONTANA
Combined Statement of Changes in Financial Position
All Proprietary Fund Types and Similar Trust Funds
For the Fiscal Year Ended June 30, 1987
(Expressed in Thousands)

	PROPRETARY FUND TYPES		FUDICIARY FUND TYPES		TOTALS (MEMORANDUM ONLY) YEAR ENDED JUNE 30	
	ENTERPRISE	INTERNAL SERVICE	NONEXPENDABLE TRUST	PENSION TRUST	1987	1986
SOURCES OF WORKING CAPITAL:						
Operations:						
Net Income (Loss)	$ 6,072	$ 134	$ 51,105	$ 144,092	$ 201,403	$ 226,657
Items not Requiring Working Capital:						
Depreciation	184	5,811	-	23	6,018	5,079
Amoritization of Net (Gain) Loss on Securities Exchanged	-	-	-	2,103	2,103	237
Working Capital Provided by Operations	6,256	5,945	51,105	146,218	209,524	231,973
Decrease in Long-Term Investments	251,413	2,873	288,360	348,586	891,232	764,345
Disposal of Fixed Assets	38	1,532	-	2	1,572	2,912
Decrease in Noncurrent Receivables	49,973	31	3,200	-	53,204	36,695
Increase in Noncurrent Payables	59,579	1,876	-	-	61,455	234,972
Increase in Contributed Capital	270	1,966	-	-	2,236	2,502
Increase in Compensated Absences Payable	57	132	-	61	250	112
Addition to Fund Equity Due to Prior Period Adjustments	3,206	242	-	6	3,454	5,716
Total Sources of Working Capital	370,792	14,597	342,665	494,873	1,222,927	1,274,227
USES OF WORKING CAPITAL:						
Increase in Long-Term Investments	62,501	3,114	446,680	498,625	1,010,920	1,023,626
Acquisition of Fixed Assets	1,683	7,853	-	18	9,554	10,764
Increase in Noncurrent Receivables	10,660	-	12,396	-	23,056	21,625
Decrease in Noncurrent Payables	187,401	4,515	-	-	191,916	145,006
Decrease in Contributed Capital	-	271	-	-	271	2,072
Decrease in Compensated Absences Payable	22	60	-	70	152	39
Reduction of Fund Equity Due to Prior Period Adjustments	-	1,342	1,447	-	2,789	12,813
Reduction of Fund Equity Due to Residual Equity Transfers	30	51	35,209	-	35,290	20
Total Uses of Working Capital	262,297	17,206	499,732	498,713	1,273,948	1,215,965
Net Increase (Decrease) in Working Capital	$ 108,495	$ (2,609)	$ (153,067)	$ (3,840)	$ (51,021)	$ 63,262
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:						
Cash/Cash Equivalents	$ 99,372	$ (3,484)	$ 10,990	$ (98,400)	$ 8,478	$ 36,796
Cash with Fiscal Agent	296	(2,900)	-	-	(2,604)	1,224
Receivables (Net)	479	(263)	6,734	2,783	9,733	2,647
Interfund Loans Receivable	-	3,045	-	50	3,095	195
Due from Other Funds	1,279	(4,393)	12,213	1,998	11,097	900
Inventories	1,260	722	-	(6)	1,976	(621)
Equity in Pooled Cash/Investments	6,966	1,437	(169,342)	91,562	(69,377)	24,412
Other Assets	-	15	-	-	15	(621)
Accounts Payable	3,517	126	(5,076)	(17)	(1,450)	(4,144)
Lottery Prizes Payable	(1,094)	-	-	-	(1,094)	-
Interfund Loans Payable	(1,033)	(222)	(32)	(50)	(1,337)	(244)
Due to Other Funds	(2,537)	3,279	(8,178)	(1,808)	(9,244)	3,078
Deferred Revenue	(10)	33	(376)	(2)	(355)	(333)
Property Held in Trust	-	(4)	-	51	47	(27)
Other Liabilities	-	-	-	(1)	(1)	-
Net Increase (Decrease) in Working Capital	$ 108,495	$ (2,609)	$ (153,067)	$ (3,840)	$ (51,021)	$ 63,262

The notes to the financial statments are an integral part of this statement.

STATE OF MONTANA
Statement of Revenues, Expenditures, Transfers and Changes in Fund Balance
All Higher Education Funds
For the Fiscal Year Ended June 30, 1987
(Expressed in Thousands)

	CURRENT FUNDS			
	UNRESTRICTED			
	GENERAL OPERATING	DESIGNATED	AUXILIARY	RESTRICTED
REVENUES/OTHER ADDITIONS:				
Tuition/Fees	$ 28,224	$ 3,291	$ 4,841	$ 182
State Appropriations	-	-	-	124
Local Appropriations	1,919	-	-	163
Federal Grants/Contracts	3,689	21	-	28,954
State Grants/Contracts	3	149	-	3,882
Local Grants/Contracts	22	-	-	552
Private Gifts/Grants/Donations	4	145	-	6,773
Enowment Income	-	-	232	10
Sales/Services-Educational Activities	886	990	122	13
Sales/Services-Designated/Auxiliary Enterprises	-	7,456	27,360	84
Indirect Costs Recovered	1,098	142	-	-
Investment Earnings	12	59	64	212
Recharged Service Collections	-	8,130	-	47
Acquisition of Long-Lived Assets	-	-	-	-
Retirement of Indebtedness	-	-	-	-
Other Revenues/Additions	9,988	2,272	-	130
Total Revenues/Other Additions	45,845	22,655	32,619	41,126
Intrafund Revenues/Other Additions	(125)	-	-	-
Net Revenues/Other Additions	45,720	22,655	32,619	41,126
EXPENDITURES/OTHER DEDUCTIONS:				
Instruction	68,382	1,818	388	4,339
Research	9,716	45	-	10,302
Public Service	4,263	563	39	3,497
Academic Support	11,089	3,477	-	1,217
Student Services	11,029	4,188	-	1,806
Institutional Support	12,911	6,805	-	249
Loan Cancellations/Write-Offs	-	-	-	-
Administrative/Collection Costs	12	-	-	-
Scholarships/Fellowships	3,162	-	-	16,412
Auxiliary Enterprises	-	65	28,108	2
Operation/Maintenance of Plant	18,274	1,997	-	58
Expendable Plant	-	-	-	-
Debt Services	83	277	19	5
Capital Outlay	3,904	912	112	2,394
Disposal of Long-Lived Assets	-	-	-	-
Debt Incurred	-	-	-	-
Other Expenditures/Deductions	3,177	2,389	28	3
Total Expenditures/Other Deductions	146,002	22,536	28,694	40,284
Intrafund Expenditures/Other Deductions	(125)	-	-	-
Net Expenditures/Other Deductions	145,877	22,536	28,694	40,284
TRANSFERS IN (OUT)/OTHER ADDITIONS (DEDUCTIONS):				
Transfers from State General Fund	79,184	-	-	-
Millage Transfers	18,869	-	-	21
Mandatory Transfers	1,753	(157)	(6,699)	(4)
Nonmandatory Transfers	430	37	4,147	(7)
Total Transfers In (Out) (Note 5)	100,236	(120)	(2,552)	10
Move Equity to Investment in Plant	-	-	-	-
Gain (Loss) on Debt Extinguishment	-	-	-	-
Bond Proceeds	-	-	-	-
Total Transfers In (Out)/Other Additions (Deductions)	100,236	(120)	(2,552)	10
Net Increase (Decrease) in Fund Balances	79	(1)	1,373	852
FUND BALANCES - July 1 - As Previously Reported	(10,628)	3,518	7,740	1,223
Prior Period Adjustments (Note 2)	1	167	(3,206)	(3)
FUND BALANCES - July 1 - As Restated	(10,627)	3,685	4,534	1,220
Residual Equity Transfers (Note 5)	-	-	-	-
FUND BALANCES - June 30	$ (10,548)	$ 3,684	$ 5,907	$ 2,072

The notes to the financial statements are an integral part of this statement.

FIDUCIARY FUNDS		PLANT FUNDS				TOTALS (MEMORANDUM ONLY) YEAR ENDED JUNE 30	
STUDENT LOANS	ENDOWMENTS	UNEXPENDED	RENEWAL AND REPLACEMENT	RETIREMENT OF INDEBTEDNESS	INVESTMENT IN PLANT	1987	1986
$ -	$ -	$ 1,072	$ 127	$ 1,609	$ -	$ 39,346	$ 35,948
-	-	-	-	-	-	124	200
-	-	-	-	-	-	2,082	1,800
471	-	-	22	23	-	33,180	30,746
17	-	-	-	-	-	4,051	3,592
-	-	-	-	-	-	574	474
8	6	550	-	-	-	7,486	6,925
-	-	906	-	653	-	1,801	2,051
-	-	-	-	-	-	2,011	1,843
-	-	2	98	89	-	35,089	43,396
-	-	-	-	-	-	1,240	1,245
288	5	841	238	397	-	2,116	5,176
-	-	-	-	-	-	8,177	1,374
-	-	-	-	-	37,637	37,637	42,127
-	-	-	-	-	16,998	16,998	26,960
603	-	2,155	1,229	197	-	16,574	13,997
1,387	11	5,526	1,714	2,968	54,635	208,486	217,854
-	-	-	-	-	-	(125)	(240)
1,387	11	5,526	1,714	2,968	54,635	208,361	217,614
-	-	17	-	-	-	74,944	71,368
-	-	-	-	-	-	20,063	19,389
-	-	-	-	-	-	8,362	6,883
-	-	-	-	-	-	15,783	13,753
308	-	-	-	-	-	17,331	15,703
-	-	-	-	-	-	19,965	19,966
356	-	-	-	-	-	356	127
37	-	-	-	-	-	49	151
-	-	-	-	-	-	19,574	19,266
-	-	-	-	-	-	28,175	36,437
-	-	-	-	-	-	20,329	18,151
-	-	535	-	32	-	567	1,244
-	-	37	52	50,737	-	51,210	59,810
-	-	9,157	507	14	-	17,000	8,351
-	-	-	-	-	8,533	8,533	14,600
-	-	-	-	-	32,530	32,530	41,392
-	14	-	-	-	-	5,611	2,856
701	14	9,746	559	50,783	41,063	340,382	349,447
-	-	-	-	-	-	(125)	(240)
701	14	9,746	559	50,783	41,063	340,257	349,207
-	-	-	-	-	-	79,184	87,393
-	-	-	-	-	-	18,890	15,260
-	(22)	(12,220)	(1,222)	16,455	-	(2,116)	1,206
(2)	2	3,786	(3,152)	(139)	-	5,102	1,240
(2)	(20)	(8,434)	(4,374)	16,316	-	101,060	105,099
-	-	3,376	95	-	-	3,471	8,366
-	-	-	-	(5,115)	-	(5,115)	(2,562)
-	-	15	4,078	36,323	-	40,416	42,766
(2)	(20)	(5,043)	(201)	47,524	-	139,832	153,669
684	(23)	(9,265)	934	(261)	13,572	7,936	22,076
16,472	2,034	8,382	4,144	9,733	323,272	365,890	353,333
-	(1)	951	-	-		(2,091)	(9,524)
16,472	2,033	9,333	4,144	9,733	323,272	363,799	343,809
-	-	-	-	-	-	-	5
$ 17,156	$ 2,010	$ 70	$ 5,098	$ 9,442	$ 336,844	$ 371,735	$ 365,890

STATE OF MONTANA

NOTES TO THE FINANCIAL STATEMENTS

June 30, 1987

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity - For financial reporting purposes, in conformance with the Governmental Accounting Standards Board (GASB) Cod. Sec. 2100, the State of Montana includes all fund types and account groups of the various agencies, boards and commissions that are controlled by or dependent on the State's legislative, executive or judicial branches. Control by or dependence on the State was determined on the basis of the following criteria, as defined in GASB Cod. Sec. 2100: selection of governing authority, designation of management, ability to significantly influence operations, accountability for fiscal matters and scope of public service. The following organizations meet this criteria and are included in the accompanying financial statements:

Higher Education Units	Financing Authorities
State-owned Universities/Colleges/ Vocational-Technical Centers	Montana Board of Housing Montana Health Facility Authority Montana Economic Development Board Montana Agricultural Loan Authority

The following organizations have been determined not to be part of Montana's reporting entity after applying the above criteria and are excluded from the accompanying financial statements because the State does not control the assets, operations or management of the respective entities: (1) community colleges; (2) the Montana Higher Education Student Assistance Corporation; and (3) private foundations supporting public education.

Basis of Presentation - Montana reports its financial activity in accordance with generally accepted accounting principles (GAAP) as prescribed in pronouncements of the GASB. The financial statements of the higher education funds have been prepared in conformity with GAAP for colleges and universities, except for General Fund appropriations, which are reported as "Transfers from State General Fund".

Significant intrafund transactions and balances have been eliminated.

The "Totals - Memorandum Only" columns represent a summation of the combined financial statements and does not represent the total resources available or total revenues and expenditures/expenses of the State.

Fund Structure - Montana's various funds are grouped in the financial statements in this report as follows:

GOVERNMENTAL FUNDS

General Fund - To account for all governmental financial resources except those required to be accounted for in another fund.

Special Revenue Funds - To account for the proceeds of specific revenue sources restricted to expenditure for specified purposes (other than expendable trusts or major capital projects).

Debt Service Funds - To account for resources accumulated for payment of principal and interest on long-term general obligation debt.

Capital Projects Funds - To account for resources used for the acquisition or construction of major capital facilities (other than those financed by proprietary or trust funds).

PROPRIETARY FUNDS

Enterprise Funds - To account for operations (1) financed and operated similar to private business enterprises, where the intent of the Legislature is that costs are to be financed or recovered primarily through user charges; or (2) where the Legislature has decided that periodic determination of revenue earned, expenses incurred, or net income is appropriate.

Internal Service Funds - To account for the financing of goods and services provided by one department or agency to other departments, agencies or other governmental entities on a cost-reimbursement basis.

FIDUCIARY FUNDS

Trust and Agency Funds - To account for assets held by the State in a trustee capacity or as an agent for individuals, private organizations, other governments or other funds. These include: (1) Expendable Trust Funds; (2) Nonexpendable Trust Funds; (3) Pension Trust Funds; and (4) Agency Funds.

ACCOUNT GROUPS

General Fixed Assets Account Group - To account for all fixed assets of the State, except those accounted for in the Proprietary, Nonexpendable Trust, Pension Trust and Plant Funds.

General Long-Term Obligations Account Group - To account for all long-term obligations of the State, except those accounted for in Proprietary, Nonexpendable Trust, Pension Trust and Plant Funds.

HIGHER EDUCATION (UNIVERSITY AND VOCATIONAL-TECHNICAL CENTER) FUNDS

Current Funds

Unrestricted

General Operating - This fund includes the portion of financial resources that can be expended for general operations and is free of externally imposed restrictions, except those imposed by the Legislature.

Designated - This fund includes financial resources associated with general operations but are separately classified in order to accumulate costs that are to be recharged to other funds. It also identifies educational departments' special activities that are fully supported by supplemental assessments and identifies special supply and facility fees that are approved for collections beyond normal course fees and their disposition.

Auxiliary - This fund includes those financial resources devoted to providing essential on-campus services primarily to students, faculty or staff where a fee relating to the service is charged.

Restricted - This fund includes the portion of financial resources that can be expended for general operations but only for purposes imposed by sources external to the Board of Regents and the Legislature.

Fiduciary Funds

Student Loans - Accounts for monies which may be loaned to students, faculty or staff for purposes related to education, organized research or public services by the higher education units.

Endowments - Accounts for monies where the principal is available for investment. Investment earnings are to be transferred to (or recorded directly in) appropriate operating funds pursuant to prevailing administrative requirements.

Agency - Accounts for monies where the State acts in the capacity of a custodian or fiscal agent for individual students, faculty, staff or qualified organizations.

Plant Funds

Unexpended - Accounts for unexpended resources derived from various sources to finance the acquisition/construction of plant assets and the associated liabilities.

Renewal and Replacement - This fund's resources provide for the renewal and replacement of plant fund assets as distinguished from additions and improvements.

Retirement of Indebtedness - This fund accumulates resources for interest and principal payments and other debt service charges, including contributions to reserves, relating to plant fund indebtedness.

Investment in Plant - This fund includes all long-lived assets in the service of the higher education unit as well as all associated liabilities.

Basis of Accounting - The accounting and reporting treatment applied to a fund is determined by its measurement focus. All Governmental Funds, Expendable Trust Funds and Agency Funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is followed in the Governmental Funds, Expendable Trust Funds and Agency Funds. Under the modified accrual basis, revenues are susceptible to accrual and recognized when they are measurable and available to pay current period liabilities. Intergovernmental revenues received as reimbursements are recognized based upon the expenditures/encumbrances

recorded. Intergovernmental revenues received but not earned are recorded as deferred revenues. Taxes on coal sales, gas and oil production, individual income and other self-assessed taxes are recognized as revenues, if available, when tax returns are filed. Based on historical analysis, a liability has been recognized for collected withholding taxes that will be refunded in fiscal year 1988. Expenditures are recognized when the related liability is incurred, with the following exceptions:

(1) principal and interest on long-term debt is reported when due;
(2) prepayments are accounted for as expenditures in the period of acquisition; and
(3) inventory items are considered expenditures when purchased.

All Proprietary, Pension Trust and Nonexpendable Trust Funds are accounted for on a cost of services or "capital maintenance' measurement focus. This means that all assets and all liabilities associated with this activity are included on their balance sheets. Operating statements for these funds present increases (revenues) and decreases (expenses) in net total assets.

Proprietary, Pension Trust, Nonexpendable Trust and Higher Education Funds are maintained and report on the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and become measurable; expenses are recognized in the period incurred, if measurable. In Higher Education Funds, depreciation expense related to plant fund assets is not recorded; also, student tuition and fees are fully recognized in the fiscal year in which the related courses or activities are principally conducted. Proprietary and Higher Education Funds' unbilled receivables are recognized as revenue.

Receivables - This classification, net of estimated uncollectibles, consists primarily of receivables for goods sold and services provided; short-term loans and notes; interest and dividends; and income, withholding and inheritance taxes that are past due. An allowance for uncollectible taxes is provided based upon historical analysis. The allowance for uncollectible taxes at June 30, 1987 was $3 million.

Inventories - Inventories of materials and supplies are stated at lower of cost or market. The State allows agencies to use any generally accepted inventory pricing method, but specifies that the first-in, first-out method should be appropriate for most agencies.

Governmental and Expendable Trust Funds use the "purchase method", meaning inventory purchases are recorded as expenditures. At fiscal year-end significant amounts of inventory are shown as a reserve of fund balance, indicating they do not constitute "available spendable resources".

Proprietary, Pension Trust, Nonexpendable Trust and Higher Education Funds report using the "consumption method", meaning inventories are expensed as used.

Deferred (Gains) Losses - This classification is used in the Pension Trust Funds to reflect use of the deferral and amortization method of accounting for gains and losses on the exchange of securities.

Deferred Revenue - Deferred revenues are those where asset recognition criteria have been met but for which revenue recognition criteria have not been met.

Property Taxes - Real property taxes are levied in October and are payable in two installments on November 30 and May 31. These taxes attach as an enforceable lien immediately upon becoming delinquent.

Personal property tax levies are set each August and notices are normally mailed the following March or April. Half of mobile home taxes are due in 30 days and the remaining half on September 30. Taxes on all other types of personal property are to be paid in full 30 days after receipt of the notice. Personal property taxes attach as an enforceable lien immediately upon becoming delinquent.

Property taxes are collected by each of Montana's 56 counties. The counties then submit the State's portion to the State Treasury. The majority of these taxes help fund the public school systems and higher education.

Fund Balance/Retained Earnings Reserves - Portions of fund equity are reported as "reserved" to indicate (1) amounts not available for expenditure, such as equity represented by inventories; and (2) amounts legally segregated for a specific future use, such as those pledged for debt service and retirement or legally-binding contractual agreements.

Compensated Absences - State employees earn vacation leave ranging from 15-24 days per year depending on the individual's years of service. Vacation leave may be accumulated to a total not to exceed two times the maximum number of days earned annually. Sick leave is earned at the rate of 12 days per year with no limit on accumulation. Each contribution year, an employee may contribute a maximum of 40 hours of sick leave to a nonrefundable sick leave pool. As of June 30, 1987, 3,324 hours were contributed to the sick leave pool; 20 hours were withdrawn leaving a balance of 3,304 hours in the

pool. No liability is reported in the accompanying financial statements because these hours are nonrefundable to participants except by grants approved through an application process. Upon retirement or termination, an employee is paid for 100% of unused vacation leave and 25% of unused sick leave. As of June 30, 1987, the State's liability for unused vacation and sick leave for Higher Education Funds was $13.3 million. The remaining agencies' leave liabilities at June 30, 1987 were $27.9 million, an increase of $.7 million over the June 30, 1986 leave liability of $27.2 million; this increase resulted from the following (in millions):

	Balance July 1, 1986	Leave Earned	Leave Used	Balance June 30, 1987
Governmental Fund Types and Similar Trust Funds	$ 25.2	$ 12.6	$ 12.0	$ 25.8
Proprietary Fund Types and Similar Trust Funds	2.0	1.1	1.0	2.1
Total Non-Higher Education Funds	$ 27.2	$ 13.7	$ 13.0	$ 27.9

2. **RESTATEMENTS/RECLASSIFICATIONS** - The State changed its accounting and reporting practices to enhance conformance with GAAP. These changes are reported in the accompanying financial statements by restating fiscal year 1986 balances. The following summary itemizes those restatements:

Balance Sheet

1. Restricted assets reported for the Montana Board of Housing Enterprise Fund are included in the "Investments" line item for fiscal year (FY) 1986. Footnote 4 (Deposits and Investments) discloses the applicable risk categories for the FY87 amounts.

2. The "Allowance for Realized Gains (Losses)" reported for the Investment Pool Agency Fund is reported in "Property Held in Trust" for both fiscal years.

3. See Footnote 8 for the restatement of "Other Fixed Assets" in the General Fixed Assets Account Group.

Governmental Operating Statement

4. FY86 expenditures (Education/Cultural) and revenues (Other Taxes) were each increased by $86.656 million of school foundation program funding.

Proprietary Operating Statement

5. It was not practical to restate FY86 for adding the following line items reported in FY87: (a) Travel; and (b) Expendable Equipment. These items were reported in "Other Expenses" for FY86.

Prior Period Adjustments - For the fiscal year-ended June 30, 1987, the following corrections of errors have resulted in beginning fund equity restatements (in thousands):

	Increase (Decrease)		
Fund Type	A	B	Totals
Special Revenue	$ 6,700	$ -	$ 6,700
Debt Service	(6,307)	-	(6,307)
Enterprise	-	3,206	3,206
Internal Service	(1,100)	-	(1,100)
Expendable Trusts	799	-	799
Nonexpendable Trusts	(1,447)	-	(1,447)
Pension Trusts	6	-	6
Higher Education:			
General Operating	1	-	1
Designated	167	-	167
Auxiliary	-	(3,206)	(3,206)
Restricted	(3)	-	(3)
Endowments	(1)	-	(1)
Unexpended Plant	951	-	951
Totals	$ (234)	$ -	$ (234)

A. Restatements for activity reported incorrectly in fiscal year 1986.

B. Montana University System (MUS) group insurance activity was moved from the Higher Education Auxiliary Fund to an Enterprise Fund for consistent reporting of employees' insurance benefits.

3. BUDGETARY REPORTING

State Budget Process - Montana is a biennial budget state. The constitution requires that Legislative appropriations not exceed available revenues. Revenues are administratively budgeted, but not legally adopted. Expenditures may not legally exceed budgeted appropriations at the program level. In addition, the State Constitution prohibits borrowing to cover deficits incurred because appropriations exceeded anticipated revenues. Budgets are required by State law for the General, Special Revenue, Capital Projects, Enterprise and Internal Service Funds. Budgets may be established in other funds for administrative purposes.

Agency budget requests are submitted to the Governor and the legislative fiscal analyst. The Governor and budget director establish priorities and balance the budget. The Governor's budget is submitted to the legislative fiscal analyst who then prepares recommendations. A comparison of those recommendations with the Governor's budget is submitted to the Legislature. Joint appropriations subcommittee hearings are held and an omnibus appropriation bill is reported to the House and subsequently to the Senate. The Legislature generally enacts one bill making all appropriations for the next two fiscal years. Other appropriations are enacted by the Legislature, but only within the revenue available. Agencies must prepare and submit to the budget director operational plans showing the allocation of operating budgets by line item (i.e., personal services, contractual services, equipment, etc.). The budget director may authorize transfers of funds between line items unless limited by the appropriation act.

Appropriations may not be increased by amendment in the General Fund. However, a department, institution or agency of the executive branch desiring authorization to make expenditures from the General Fund during the first fiscal year of the biennium from appropriations for the second fiscal year of the biennium may apply for authorization from the Governor through the budget director. Additionally, the Governor may approve budget amendments for non-General Fund monies not available for consideration by the Legislature and for emergencies. In the accompanying financial statements, reported budget amounts are as amended, if applicable. Supplemental appropriations of $31.3 million for the General Fund for fiscal year 1987 were approved during the 1987 Legislative Session. There were no recorded expenditures in excess of total authorized appropriations in the State's budgeted funds for the fiscal year.

Appropriations may be continued into the next fiscal year when authorized by the Legislature or the Governor's Office. Appropriations that are not continued are reverted after fiscal year-end. The reverted appropriations remain available for one fiscal year for expenditures that exceed the amount accrued/encumbered. Fund balances/retained earnings are not reserved for reverted appropriations. Reverted appropriations for fiscal year 1987 were $195 million for all funds.

Because Capital Projects Funds' appropriations are not made on an annual basis, Capital Projects Funds' activities are not presented in the Combined Statement of Revenues, Expenditures, Other Financing Sources (Uses) and Reconciliation of Budget and Actual (Budgetary Basis) to GAAP Basis.

Encumbrances - Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded as expenditures and liabilities in order to reserve that portion of the applicable appropriation, is employed for budget control purposes. Encumbrances outstanding at fiscal year-end are reported as reservations of fund balances for subsequent year expenditures.

Budget Basis - The Legislature's legal authorization ("appropriations") to incur obligations is enacted on a basis inconsistent with GAAP. The budget basis differs from GAAP for encumbrances outstanding at fiscal year-end; compensated absences, fixed assets and inventories purchased in Proprietary Funds; compensated absences and inventories purchased in Higher Education Funds; certain loans from Governmental Funds; deferred gains (losses) on bond swaps; and, other miscellaneous nonbudgeted activity (e.g., bad-debt write-offs, etc.). The General and Special Revenue Fund Type budgetary statement includes a reconciliation between "Excess of revenues/other sources over (under) expenditures/other uses" on the budgetary basis and the GAAP basis.

4. DEPOSITS AND INVESTMENTS

This footnote details the following balance sheet classifications (in thousands):

Cash/Cash Equivalents	$ 356,993
Cash with Fiscal Agent	$ 9,386
Equity in Pooled Cash/Investments	$ 705,216
Investments	$ 1,735,702

Carrying amounts and market values (bank balance for cash deposits) are presented in Table 1 (Cash Deposits), Table 2 (Short-Term Investments), Table 4 (Equity in Pooled Cash/Investments) and Table 5 (Investments).

The State's investments are categorized in Table 3 (Short-Term Investments), Table 4 (Equity in Pooled Cash/Investments) and Table 6 (Investments) to disclose the level of risk assumed by the State at fiscal year-end. Category 1 includes investments that are insured, registered or uninsured, unregistered securities held by the State or its agent in the State's name. Cateogry 2 includes uninsured and unregistered investments for which the securities are held by the broker's or dealer's trust department or agent in the State's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent but not in the State's name.

Cash/Cash Equivalents - Consists of cash deposits and short-term investments. Short-term investments may be under the control of the Board of Investments (the Board) or other agencies as allowed by law. The Board must employ the "Prudent Person Rule" in managing the State's investment portfolio. Common stock purchases are restricted to pension funds and are subject to statutory restrictions for quality and size of holding. The Board administers approximately 14% of short-term investments.

TABLE 1 - CASH DEPOSITS

Risk Category	Carrying Amount	Bank Balance	Fund
Insured (FDIC)	$ 3,166	$ 3,166	Various
Uninsured:			
(1) Collateral held by State Treasury	9,429	9,429	Various
(2) Collateral held by pledging institution	3,545	3,545	Housing Authority Enterprise
(3) Held by federal government	32,044	32,044	Unemployment Insurance Expendable Trust
(4) Uncollateralized*	17,549	17,375	Various
	65,733	$ 65,559	
Cash invested in short-term pool	183,360		
Cash invested in repurchase agreements	34,098		
Outstanding warrants	(46,059)		
Short-term investments (Tables 2 & 3)	119,861		
TOTAL CASH/CASH EQUIVALENTS	$356,993		

* The State's main depository bank balance fluctuates daily. The State requires collateralization based on an average daily bank balance. For other depository banks, State statutes require collateralization at 50% of the bank balance.

TABLE 2 - SHORT-TERM INVESTMENTS (CARRYING AMOUNT/MARKET VALUE)

Fund Type	Carrying Amount	Market Value	Gov. Secur.	Repurch. Agree	Com. Paper	Bankers' Accept.	Corp. Stocks	Money Market	Other
Special Revenue									
Carrying Amount	$ 2,999	$ -	$ 2,999	$ -	$ -	$ -	$ -	$ -	$ -
Market Value	-	3,130	3,130	-	-	-	-	-	-
Enterprise									
Carrying Amount	94,065	-	67,199	25,229	-	-	-	-	1,637
Market Value	-	94,189	67,323	25,229	-	-	-	-	1,637
Internal Service									
Carrying Amount	1,370	-	-	1,370	-	-	-	-	-
Market Value	-	1,370	-	1,370	-	-	-	-	-
Nonexpendable Trust									
Carrying Amount	13,155	-	219	5,000	4,967	2,969	-	-	-
Market Value	-	13,209	228	5,000	4,990	2,991	-	-	-
Pension Trust									
Carrying Amount	1,005	-	140	-	-	-	865	-	-
Market Value	-	1,006	140	-	-	-	866	-	-
Higher Education									
Carrying Amount	7,267	-	4,955	-	-	-	149	2,121	42
Market Value	-	7,369	5,017	-	-	-	190	2,119	43
Totals:									
Carrying Amount	$119,861		$75,512	$31,599	$4,967	$2,969	$1,014	$2,121	$1,679
Market Value		$120,273	$75,838	$31,599	$4,990	$2,991	$1,056	$2,119	$1,680

TABLE 3 - SHORT-TERM INVESTMENTS (RISK CATEGORIES)

Security Type	Categories 1	2	3	Carrying Amount	Market Value
Government Securities	$ 8,277	$67,165*	$ 70	$ 75,512	$ 75,838
Repurchase Agreements	29,795	434	1,370	31,599	31,599
Commercial Paper	4,967	-	-	4,967	4,990
Bankers' Acceptances	2,969	-	-	2,969	2,991
Corporate Stocks	1,014	-	-	1,014	1,056
Money Markets	2,121	-	-	2,121	2,119
Other	1,663	-	16	1,679	1,680
Totals	$50,806	$67,599	$1,456	$119,861	$120,273

* At June 30, 1987, securities (Cost $2,834; market $2,877) were loaned under a security lending agreement with the State's agent. The security lending agreement required that the loaned securities be collateralized with government obligations at 102% of their face value. Under the agreement, all of the State's investments may be loaned. Other types of investment activity during fiscal year 1987 were insignificant.

Cash with Fiscal Agent - Cash deposited with fiscal agents is summarized below:

	Carrying Amount	Fund Type
(1) Department of Highways condemnation deposits with local clerks of court	$ 1,030	Special Revenue
(2) Montana Economic Development Board's collateralized deposits with bond fiscal agent	2,194	Enterprise
(3) Higher Education collateralized deposits with bond fiscal agents	6,112	Higher Education
(4) Miscellaneous deposits with fiscal agents	50	Special Revenue/ Internal Service
TOTAL CASH WITH FISCAL AGENT	$ 9,386	

Equity in Pooled Cash/Investments - Consists of all cash in the State Treasury not invested by individual funds in identifiable securities. Cash is pooled and invested in either short-term instruments known as STIP (Short-Term Investment Pool) or in common stock of publicly held companies known as MONTCOMP (Montana Common Stock Pool). Each investing fund purchases units in either STIP or MONTCOMP. Local governments outside this reporting entity are also allowed to invest in STIP.

TABLE 4 - EQUITY IN POOLED CASH/INVESTMENTS

	Categories 1	2	3	Carrying Amount	Market Value	Fund
STIP						
Commercial Paper	$249,719	$ -	$ -	$249,719	$251,391	Various
Bankers' Acceptances	227,916	-	-	227,916	229,754	Various
Government Securities	56,122	16,687	-	72,809	73,081	Various
Repurchase Agreements	52,902	-	-	52,902	52,902	Various
Montana Certificates of Deposit	16,778	-	-	16,778	16,778	Various
Corporate Bonds	9,997	-	-	9,997	10,036	Various
STIP Total	$613,434	$16,687	$ -	630,121**	633,942	
MONTCOMP						
Corporate Stocks	$ 73,923	$ 1,172	$ -	75,095	178,410	Various
TOTAL EQUITY IN POOLED CASH/INVESTMENTS				$705,216	$812,352	

** As of June 30, 1987 securities (Carrying Amount at Cost $50,699; Market Value $51,106) were owned by local governments.

Investments - Consists of investments primarily administered by three State agencies. Article 8 of Montana's Constitution, with supporting statutes, provides the Board of Investments with the authority behind the State's uniform investment program. Legal provisions determine which agencies may hold investments outside the administration of the Board. The Board, as the State's primary administrator of long-term investments, actively manages 93% of those investments; the Board of Housing, 4%; the Department of Administration's Personnel Division administers about 2% for the State's Deferred Compensation Plan; and the remaining 1% are administered by various other agencies. Most funds carry equity securities at cost and debt securities at amortized cost except the deferred compensation funds which are carried at market.

TABLE 5 - INVESTMENTS (CARRYING AMOUNT/MARKET VALUE)

Fund Type	Carrying Amount	Market Value	Corporate Bonds	Government Securities	Mortgages	Other
Special Revenue						
Carrying Amount	$ 51,688		$ -	$ 51,688	$ -	$ -
Market Value		$ 51,713	-	51,713	-	-
Debt Service						
Carrying Amount	10,642		991	8,159	1,492	-
Market Value		10,796	1,045	8,259	1,492	-
Enterprise						
Carrying Amount	73,617		-	73,617	-	-
Market Value		84,909	-	84,909	-	-
Internal Service						
Carrying Amount	3,668		-	3,668	-	-
Market Value		3,947	-	3,947	-	-
Expendable Trusts						
Carrying Amount	35,104		30,164	4,768	172	-
Market Value		38,141	31,927	6,042	172	-
Nonexpendable Trusts						
Carrying Amount	539,706		406,507	128,613	4,586	-
Market Value		570,242	424,915	140,741	4,586	-
Pension Trusts						
Carrying Amount	968,784		696,537	161,715	109,345	1,187
Market Value		990,283	703,453	176,298	109,345	1,187
Higher Education						
Carrying Amount	12,280		-	12,096	148	36
Market Value		12,330	-	12,135	159	36
Totals:						
Carrying Amount	$1,695,489		$1,134,199	$444,324	$115,743	$1,223
Market Value		$1,762,361	$1,161,340	$484,044	$115,754	$1,223
Deferred Compensation*	40,213					
TOTAL INVESTMENTS	$1,735,702					

* These funds are deferred compensation moneys recorded at market and invested by the State as an agent for employees of the State.

TABLE 6 - INVESTMENTS (RISK CATEGORIES)

Security Type	Categories 1	2	3	Carrying Amount	Market Value
Corporate Bonds	$1,058,920	$ 75,279	$ -	$1,134,199	$1,161,340
Government Securities	303,860	138,879	1,585	444,324	484,044
Mortgages	115,743	-	-	115,743	115,754
Other	1,223	-	-	1,223	1,223
Totals	$1,479,746	$214,158**	$1,585	$1,695,489	$1,762,361

** At June 30, 1987, securities (Carrying Amount at Cost $147,766; Market Value $155,493) were loaned under a security lending agreement with the State's agent. The security lending agreement required that the loaned securities be collateralized with government obligations at 102% of their face value. Under the agreement, all of the State's investments may be loaned. Other types of investment activity during fiscal year 1987 were insignificant.

5. **INTERFUND TRANSACTIONS**

During the course of normal operations, the State has numerous transactions between funds to finance operations, provide services, construct assets, service debt, etc. Montana statutes include a provision for interfund loans when the expenditure of an appropriation is necessary and the cash balance in the account from which the appropriation was made is insufficient to pay the expenditure. To the extent that certain transactions between funds have not been paid or received as of June 30, 1987, interfund receivables/payables (Due From/To Other Funds) have been recorded. The schedule below presents all interfund balances outstanding at June 30, 1987 (in thousands):

Funds	Interfund Loans		Due From Other Funds	Due To Other Funds	Operating Transfers		Residual Equity Transfers	
	Receivable	Payable			In	Out	In	Out
General	$ 8,988	$ -	$23,708	$ 4,822	$85,002	$106,838	$41,354	$ -
Special Revenue								
State	12,437	4,100	29,449	25,349	85,297	41,357	-	4,539
Federal	1	17,098	872	3,281	710	2,423	-	42
GSL Program	-	-	-	9	-	-	-	-
Revolving	-	1,291	166	302	855	-	88	-
Assessments	-	-	-	9	-	-	142	-
Private Donations	-	-	10	83	-	-	-	-
Interest & Income	-	-	92	97	322	-	24	-
Debt Service								
Coal Tax Bonds	-	-	55	8	-	36,078	263	-
Long-Range Bldg	-	-	260	369	14,004	34,875	-	-
Water Development	-	-	-	-	-	260	2,641	-
Hwys Revenue Bonds	-	-	-	5	15,070	-	-	-
Hwys Bldg Complex	-	-	-	-	224	-	-	-
Airport Bonds	-	-	-	-	-	33	177	-
Renewable Resource	-	-	-	-	-	296	-	-
Water Conservation Bonds	-	-	-	-	28	-	-	-
Capital Projects								
Long-Range Bldg	400	-	88	327	-	1,047	-	5,094
Federal/Private Construction Grant	-	400	94	92	-	-	-	-
Capital Land Grant	-	-	163	-	-	167	-	-
Enterprise								
Housing Authority	-	-	1,274	1,293	-	-	-	-
Economic Dev. Bd.	-	150	2	17	175	-	-	-
Employees Grp. Ben.	-	-	691	7	-	-	-	-
Liquor Stores	-	-	5	2,100	-	14,158	-	-
State Lottery	-	1,230	-	92	-	-	-	30
MUS Group Insurance	-	-	2	2	-	-	-	-
FWP Snowgroomer Rental	-	-	2	-	-	-	49*	-
Historical Soc. Publications	-	-	-	3	40	-	-	-
W. Yellowstone Airport	-	-	-	2	3	-	-	-
Health Facilities Authority	-	-	-	2	-	-	-	-
Beginning Farm Loans	-	-	-	-	-	-	197*	-
Internal Service								
Highway Equipment	3,100	-	318	352	2,248	-	-	-
Communications	-	150	601	19	18	-	30*	-
Admin. Insurance	-	-	51	32	-	-	-	-
Central Data Processing	150	-	664	138	-	-	-	-
Prison Ranch	30	-	34	30	-	-	-	-
FWP Equipment	-	-	109	2	-	-	-	-
Motor Pool	-	-	106	13	-	-	-	-
Admin. Prop. & Supply	-	-	114	42	-	-	-	-
Publications & Graphics	-	-	293	20	-	-	-	51
Hwys Photo & Data Proc.	-	370	223	196	-	-	-	-
Buildings & Grounds	-	-	27	85	28	-	-	-
Prison Industries	-	30	112	26	-	-	-	-
Local Govt. Audits	-	-	12	37	165	-	-	-
Commerce Central Svcs.	-	-	113	24	-	-	-	-
FWP Warehouse Inventory	-	-	13	2	-	-	-	-
Mail & Messenger	-	-	84	8	-	-	-	-
Investment Division	-	-	-	20	-	-	-	-
Aircraft Operations	-	-	29	1	-	-	-	-
Justice Legal	-	-	33	7	-	-	-	-

(Continued on next page.)

Funds	Interfund Loans Receivable	Interfund Loans Payable	Due From Other Funds	Due To Other Funds	Operating Transfers In	Operating Transfers Out	Residual Equity Transfers In	Residual Equity Transfers Out
FWP Office Supply	-	-	5	4	-	-	-	-
Personnel Training	-	-	10	6	32	-	-	-
OBPP Statewide Audit	-	-	-	30	-	-	-	-
Admin. Legal	-	-	-	1	-	-	-	-
Expendable Trusts								
State Comp. Insurance	-	-	44	53	-	6,249	-	-
Unemployment Insurance	237	-	-	-	-	-	-	-
Coal Tax Trust	-	-	1,632	20,685	-	38,108	-	-
Hail Insurance	-	-	-	6	-	-	-	-
BN Geraldine Settlement	-	-	1	-	-	-	-	-
Rural Development	-	-	-	3	-	-	-	-
Resource Indemnity	-	1	301	1,228	-	6,981	-	-
Fullam Estate	-	-	2	-	-	-	-	-
Nonexpendable Trusts								
Permanent Coal Tax	-	-	12,189	1,509	35,629	-	-	-
Land Grants	-	-	2,903	7,219	-	37,295	-	23
Resource Indemnity	-	32	1	300	-	-	-	-
Education	-	-	-	2,892	-	14,745	-	35,186
Parks, Cultural, Aesthetic Projects	-	-	53	-	-	-	-	-
BN Geraldine Settlement	-	-	-	1	-	-	-	-
Real Property	-	-	1	2	-	-	-	-
Pension Trusts								
PERS	-	-	2,835	1,575	-	-	-	-
Teachers	-	-	353	8	-	-	-	-
Municipal Police	-	-	2,507	21	-	-	-	-
Unified Firefighters	40	-	3,033	21	-	-	-	-
Sheriffs	10	-	194	14	-	-	-	-
Highway Patrol	-	10	48	203	-	-	-	-
Judges	-	-	71	3	-	-	-	-
Game Wardens	-	-	13	4	-	-	-	-
Volunteer Firefighters	-	40	484	17	-	-	-	-
Agency								
Investment Pool	-	-	-	20	-	-	-	-
Employees Defer. Comp.	-	-	79	-	-	-	-	-
Land Grant Interest	-	-	5,929	27,089	-	-	-	-
Perform. Deposits	-	-	-	21	-	-	-	-
Central Payroll	-	-	7,128	1,693	-	-	-	-
Custodial Accounts	-	-	-	981	-	-	-	-
Child Support Collections	-	-	3	806	-	-	-	-
Unclaimed Property	-	-	-	87	-	-	-	-
Intergovernmental	-	-	20	55	-	-	-	-
A & E Advances	-	-	155	17	-	-	-	-
Uncleared Collections	-	-	5	208	-	-	-	-
Bad Debts	-	25	-	2	-	-	-	-
Higher Education								
Current Funds								
Unrestricted								
General Operating	3,079	466	8,750	4,377	100,236	-	-	-
Designated	140	1,995	2,860	1,293	-	120	-	-
Auxiliary	823	759	2,821	3,021	-	2,552	-	-
Restricted	30	1,114	1,826	2,231	10	-	-	-
Fiduciary								
Student Loans	24	-	60	6	-	2	-	-
Endowments	-	-	2	2	-	20	-	-
Agency	-	228	1,515	1,059	-	-	-	-
Plant								
Unexpended	650	-	254	246	-	8,434	-	-
Renewal & Replacement	200	-	155	598	-	4,374	-	-
Retirement of Indebtedness	-	850	1,356	525	16,316	-	-	-
Totals	$30,339	$30,339	$119,467	$119,467	$356,412	$356,412	$44,965	$44,965

* These residual equity transfers are reflected in contributed capital on the balance sheet.

6. **STATE DEBT**

General Information - The State has no constitutional limit on its power to issue obligations or incur debt other than a proviso that no debt may be created to cover deficits incurred because appropriations exceeded anticipated revenues. The Board of Examiners (consisting of the Governor, Secretary of State and Attorney General) is authorized, pursuant to various enabling acts, to issue bonds and notes of the State.

Short-Term Debt - The Board of Examiners, upon recommendation of the Department of Administration, may issue notes in anticipation of the receipt of taxes and revenues. No notes may be issued to refund outstanding notes. The notes must be redeemed at the end of the fiscal year in which issued. The State issued $83.2 million of these notes on July 31, 1986; they were redeemed in June, 1987.

Long-Term Debt - The full faith, credit and taxing powers of the State are pledged for the payment of all general obligation debt. Revenue bonds and mortgage bonds are secured by a pledge of resources from the facilities to which they relate and by certain other revenues, fees and assets of the State and the various colleges and universities. Long-term debt (excluding bonds/notes of Enterprise Funds discussed elsewhere in this footnote; Leases - Note 7; and Compensated Absences - Note 1) of the State at June 30, 1987, is as follows (in thousands):

				Principal Payments		
General Obligation Debt	Series	Amount Issued	Interest Range (%)	FY 1988	Year of Maturity	Balance June 30, 1987
Highway Bldg Complex	1976	$ 7,400	4.1-6.1	$ 380	$ 600 (1996)	$ 4,345
GO Refunding	1983A	58,160	8.875-9.5	650	590 (2010)	55,985
Long-Range Bldg Program	1983B	39,330	6.0-8.2	5,315	195 (1995)	25,755
SRS Building (1)	-	1,640	9.0	79	2 (1997)	1,122
Water Development Program	1983C	1,300	6.0-8.2	185	225 (1991)	820
Water Development Program (2)	1984A	900	8.4-9.2	-	150 (1996)	900
Long-Range Bldg Program	1985A	8,550	5.75-8.0	1,075	150 (2001)	7,550
Water Dev. Program (3)	1985B	1,000	5.75-7.7	50	175 (1996)	950
Renewable Resource Development (3)	1985C	1,100	5.75-7.7	50	200 (1996)	1,050
Water Development Program	1985D	1,000	5.5-6.875	75	125 (1996)	925
Total General Obligation Debt		$120,380		$7,859		$ 99,402
Special Revenue Bonds						
Department of Highways (4)	1987	$150,000	5.5-7.2	$ -	16,600 (2006)	$150,000
Water Dev. Program (5)	1985A	16,865	5.75-9.625	390	1,720 (2006)	16,495
Water Dev. Program (5)	1985B	11,500	6	200	1,200 (2007)	11,500
Water Conservation (7)		535	3.463-5.0	13	3 (2016)	405
Employment Security Division Building		1,390	8	16	16 (1988)	16
Total Special Revenue Bonds		$180,290		$ 619		$178,416
Nonbonded Debt						
Cooney Dam Rehab. (8)		$ 1,308	NONE	$ 26	22 (2020)	$ 1,218
Broadwater Hydroelectric(8)		50	7.375	7	7 (1991)	28
Total Nonbonded Debt		$ 1,358		$ 33		$ 1,246
TOTAL GENERAL LONG-TERM OBLIGATIONS ACCOUNT GROUP						$279,064

(1) Chapter 242, 1974 Laws of Montana authorized a lease-purchase contract commencing November 1, 1976.
(2) First payment of $50,000 is due in 1989.
(3) Series 1985 B and 1985 C are additionally secured by a pledge of and payable from certain coal severance taxes. Series 1985 B is also secured by a pledge of loan repayments from loans made from the proceeds thereof.
(4) First payment of $7,820,000 is due in 1994.
(5) Issued by the Department of Natural Resources and Conservation (DNRC) and backed by a pledge of coal severance taxes.
(6) Adjustable convertible extendable securities - debt service assumed at 9%. An irrevocable direct-pay Letter of Credit was provided by the Los Angeles Agency of the L-T Credit Bank of Japan, Limited.
(7) Bonds were sold to Farmers Home Administration.
(8) DNRC Federal Loans.

Board of Regents Issues Higher Education Units	Series	Amount Issued	Interest Range (%)	Principal Payments FY 1988	Principal Payments Year of Maturity	Balance June 30, 1987
Pooled Equip. Financing (U of M and EMC)	1985	$ 9,090	5.5-8.0	$ 476	$1,373 (1993)	$ 4,130
University of Montana (U of M)	1985A-B	11,094	5.5-9.75	725	162 (2008)	10,434
Montana State University (MSU)	1985B/1986A/A1987	43,690	4.5-7.625	440	7,345 (2010)	43,275
Montana College of Mineral Science & Technology (TECH)	1986A	6,745	4.5-7.625	115	1,070 (2010)	6,615
Eastern Montana College (EMC)	1985A-B	10,950	5.25-9.5	275	1,150 (2006)	10,690
Northern Montana College (NMC)	1986C	225	7.75	32	11 (1993)	201
Western Montana College (WMC)	1966B-D/1967A-B/1985B	2,412	2.75-7.75	71	16 (2008)	1,029
Total Higher Education Revenue Bonds		$ 84,206		$ 2,134		$ 76,374
Higher Ed Nonbonded Debt						
EMC Mortgage Payable		170	10.5	17	17 (1993)	102
EMC Computer Site Note Payable		100	None	10	10 (1993)	60
U of M Mortgage Payable		103	Varies Yearly	4	4 (2012)	103
MSU Plant Conversion		250	6.50	63	31 (1991)	219
NMC - D.A. Davidson Loan		1,400	8.25	1,400	1,400 (1988)	1,400
Total Higher Education Nonbonded Debt		$ 2,023		$ 1,494		$ 1,884
TOTAL HIGHER EDUCATION FUNDS' BONDS/NOTES PAYABLE						$ 78,258

Debt service requirements (principal and interest) for long-term notes/bonds payable reported in the General Long-Term Obligations Account Group and Higher Education Funds are as follows (in thousands):

Fiscal Year Ending June 30	General Obligation Debt	Special Revenue Bonds	Higher Ed Revenue Bonds	Non-Bonded Debt	Total Requirements
1988	$ 15,725	$ 10,681	$ 6,921	$ 1,571	$ 34,898
1989	15,950	13,150	7,658	149	36,907
1990	15,951	13,221	7,692	145	37,009
1991	15,912	13,200	7,715	109	36,936
1992	14,487	13,161	7,764	67	35,479
1993+	70,925	281,987	125,263	1,185	479,360
Totals	$ 148,950	$ 345,400	$ 163,013	$ 3,226	$ 660,589

A summary of changes in long-term notes/bonds payable reported in the General Long-Term Obligations Account Group and Higher Education Funds for the fiscal year ending June 30, 1987 follows (in thousands):

	Balance July 1, 1986	Issued	Retired	Balance June 30, 1987
General Obligation Debt	$ 106,814	$ -	$ 7,412	$ 99,402
Special Revenue Bonds	92,909	150,000	64,493	178,416
Higher Ed Revenue Bonds	77,145	37,385	38,156	76,374
Nonbonded Debt	45,235	1,722	43,827	3,130
Totals	$ 322,103	$ 189,107	$ 153,888	$ 357,322

Refunded Bonds - The State of Montana and the Board of Regents of Higher Education have issued general obligation and revenue refunding bonds, respectively, to refund obligations with respect to certain bond issues already outstanding. The proceeds of the refunding issues have been placed in escrow accounts and invested in U.S. Treasury Obligations that, together with interest earned thereon, will be sufficient for future payment of principal and interest on the refunded issues. The schedule on the next page lists the principal requirements to maturity on all refunded bond issues (in thousands).

SCHEDULE OF PRINCIPAL REQUIREMENTS TO MATURITY - REFUNDED ISSUES

Fiscal Year Ending June 30	General Oblig. Bonds	Dept. of Hwys	DNRC Revenue	Board of Regents Revenue Bonds U of M	MSU	EMC	TECH	Total Principal
1988	$ 3,535	$ 26,425	$ 220	$ 235	$ 469	$ 170	$ 85	$ 31,139
1989	3,545	27,155	235	255	501	185	95	31,971
1990	3,655	13,665	255	265	538	200	100	18,678
1991	3,685	14,755	275	295	581	220	110	19,921
1992	3,590	-	300	325	628	240	120	5,203
1993+	29,460	-	8,805	6,820	30,463	6,055	6,480	88,083
Totals	$ 47,470	$ 82,000	$ 10,090	$ 8,195	$ 33,180	$ 7,070	$ 6,990	$ 194,995

Enterprise Funds

- **Board of Housing Revenue Bonds** - The Montana Board of Housing (Housing Authority) is authorized to have an aggregate of $975 million of housing mortgage bonds outstanding. The bonds are payable from mortgage loan repayments and investment earnings. All bonds issued to date are secured by federally insured or guaranteed mortgages. Statutory provisions exist wherein the Governor shall include in the executive budget submitted to the Legislature the sum required to fund possible future deficiencies in required reserves, however, the Legislature is not legally required to appropriate such deficiencies: None of the outstanding bonds were issued under these provisions. Bonds (net) outstanding at June 30, 1987 were as follows (in thousands):

	Single Family	Multi-Family	Totals
Mortgage Bonds	$ 526,080	$ 14,545	$ 540,625

Scheduled principal payments for the next five fiscal years are as follows (in thousands):

	1988	1989	1990	1991	1992	Totals
Single Family	$16,980	$17,595	$17,930	$19,030	$20,080	$91,615
Multi-Family	105	115	120	125	130	595
Totals	$17,085	$17,710	$18,050	$19,155	$20,210	$92,210

Amounts reported in the Enterprise Fund for the Board of Housing were reproduced from their most recent audit report, which received an unqualified opinion dated August 28, 1987. The auditors, Anderson Zurmuehlen & Co., P.C. may be contacted at P.O. Box 1147, Helena, MT 59624 or at (406) 442-3540 for more information.

- **Montana Economic Development Board (MEDB)** - This financing authority is directed by a seven member board and operations are administered by the Department of Commerce. MEDB assists Montana's small businesses and local governments in obtaining long-term, fixed rate financing through private Montana lending institutions. Outstanding MEDB obligations are as follows (in thousands):

	Year Issued	Year Matures	Amount Issued	Balance June 30, 1987
Industrial Development Revenue Bonds (Pooled Loan Program) Series 1984 A - 1984 G (1)	1984	2006	$ 3,650	$ 3,560
Industrial Development Revenue Bonds (Pooled Loan Program) Series 1985 A - 1985 L(1)	1985	2007	4,925	4,160
Municipal Finance Consolidation Act Bonds (Cash Anticipation Financing Program) Series 1986 (2)	1986	1988	27,480	27,480
Municipal Finance Consolidation Act Bonds (Intermediate Term Capital Program) Series 1987(2)	1987	1995	6,500	6,500
Totals			$ 42,555	41,700
Deduct: Net Unamortized Issuance Costs/Discounts/Premiums				(656)
Total MEDB Bonds Payable (Net)				$ 41,044

(1) The bonds, which may not aggregate more than $75 million, are limited obligations of the MEDB payable solely from and secured by certain revenues and assets of the MEDB pledged pursuant to an Indenture of Trust. The bonds do not constitute a debt, liability or legal obligation of the State of Montana. However, if the balance in the MEDB's "Capital Reserve Account A" falls below the indenture requirement, the Governor is required to request the Legislature to appropriate funds to restore the balance. The Legislature may, but is not legally obligated to, appropriate funds to correct any such deficiency. Principal payments (accrued interest to be added) are due each March 15. Series 1985 J ($665,000) was recalled on March 15, 1986 without a gain (loss) on extinguishment.

(2) These bonds, which may not aggregate more than $50 million, were issued to provide funds for the MEDB to finance the purchase of tax or revenue anticipation notes (TRANS) of participating local government units. The bonds are not a debt or liability of the State of Montana. The bonds are limited obligations of the MEDB payable solely from repayments of principal and interest on local government TRANS, proceeds of a loan made to MEDB by the Montana State Board of Investments and investment income.

Scheduled principal requirements are as follows (in thousands):

1988	1989	1990	1991	1992	1993 +	Totals
$180	$27,685	$225	$250	$275	$13,085	$41,700

No-Commitment Debt - Information is presented below for financing authorities participating in debt issues which are not recorded in the accompanying financial statements.

- **Montana Health Facility Authority (MHFA)** - In February 1985, the MHFA issued $18 million of Hospital Facilities Variable Rate Revenue Bonds (Billings Deaconess Hospital Project) - Series 1985. The bonds were issued to (1) reimburse Billings Deaconess for remodeling existing facilities; (2) finance capital equipment purchases; (3) refinance outstanding indebtedness of $752,000; and (4) pay certain bond issuance costs. These bonds are special obligations of the MHFA payable solely out of loan repayments received from Billings Deaconess. The bonds do not constitute a debt, liability or obligation of the State of Montana. Principal payments (accrued interest to be added) are due each January 1. Principal payments range from $100 thousand in 1989 to $2.3 million in 2014.

  In June 1985, the MHFA issued $440 thousand ($404,374 balance at June 30, 1987) of hospital facility revenue notes (West Mont Home Health Services, Inc.). Variable monthly payments began July 1, 1985, with the final payment due June 1, 2005. The notes do not constitute a debt, liability or obligation of the State of Montana.

  The MHFA issued $66.9 million health care revenue bonds (due in total on December 1, 2015; outstanding at June 30, 1987 $65.9 million) in December, 1985. These bonds were issued for the purpose of enabling the MHFA to make loans to private nonprofit hospitals and other private nonprofit health institutions and public health institutions located in the State of Montana in order to finance, refinance or provide reimbursement to the health institutions for the cost of acquisition or construction of equipment and capital improvements and to pay the cost of refunding a $23.5 million issue (due in total September 1, 1991) of MHFA's Variable Rate Revenue Bonds. The bonds are payable solely from loan repayments to be made by the health institutions pursuant to loan agreements, from the funds created by the indenture and from investment earnings on those funds. The bonds do not constitute a debt, liability or obligation of the State of Montana.

- **Montana Agricultural Loan Authority (MALA)** - The MALA is authorized to issue bonds to finance projects for beginning farmers within the State if it appears, after a properly noticed public hearing, that the project is in the public interest of the State. These non-recourse, industrial development revenue bonds do not constitute a debt, liability or obligation of the State of Montana. Outstanding bonds are as follows: (1) Linger Project ($94,737; issued $112,200); and (2) Jorgensen Project ($77,535; issued $81,600).

- **Montana Economic Development Board (MEDB)** - The MEDB issued bonds on behalf of borrowers under the Stand-alone Program during fiscal year 1987. The bonds issued under this program do not constitute a debt or liability to the MEDB or the State of Montana. Assets and revenues of the borrowers are pledged to repay the bonds. Accordingly, the Stand-alone bond issues are not recorded in the State's financial statements. The bonds issued were $17.605 million.

7. LEASES/INSTALLMENT PURCHASES

The State has entered into various capital and operating leases for land, buildings and equipment. Lease contracts are required by law to contain a clause indicating continuation of the lease is subject to funding by the Legislature. It is expected that in the normal course of operations most of these leases will be replaced by similar leases. Changes in capitalized leases/installment purchases follow (in thousands):

	Balance July 1, 1986	Additions (Deductions)	Balance June 30, 1987
General Long-Term Obligations	$ 731	$ (560)(1)	$ 171
Proprietary Fund Types			
Enterprise Fund	$ 7	$ 817	$ 824
Internal Service Fund	12,602	(2,638)	9,964
Total Proprietary	$ 12,609	$ (1,821)	$ 10,788
Higher Education Funds	$ 1,145	$ 19	$ 1,164
Total Capitalized Leases/ Installment Purchases	$ 14,485	$ (2,362)	$ 12,123

(1) This amount consists of $77,000 of additions and $637,000 of deductions.

Future minimum lease payments under capital leases/installment purchases are as follows (in thousands):

Fiscal Year Ending June 30	General Long-Term Obligations	Proprietary Fund Types Enterprise	Proprietary Fund Types Internal Service	Higher Education Funds	Totals
1988	$ 117	$ 283	$ 2,495	$ 458	$ 3,353
1989	63	283	2,365	341	3,052
1990	23	259	1,730	260	2,272
1991	8	2	1,711	211	1,932
1992	-	-	1,704	124	1,828
After 1992	-	-	3,379	184	3,563
Total minimum payments	$ 211	$ 827	$ 13,384	$ 1,578	$ 16,000
Less: Interest	(40)	(3)	(3,420)	(414)	(3,877)
Present value of minimum payments	$ 171	$ 824	$ 9,964	$ 1,164	$ 12,123

Operating Leases

Future rental payments under operating leases are as follows (in thousands):

Fiscal Year Ending June 30	Amount
1988	$1,291
1989	1,074
1990	771
1991	477
1992	369
After 1992	728
Total future rental payments	$4,710

8. **FIXED ASSETS**

Fixed asset valuation is based on actual or estimated historical cost or, in the case of donations, fair market value at the time of receipt. Infrastructure fixed assets are generally not capitalized. Interest incurred during construction is not capitalized for general fixed assets or higher education units' fixed assets.

Proprietary, Nonexpendable Trust and Pension Trust Funds' fixed assets are accounted for within their respective funds. They are depreciated on a straight-line basis with estimated useful lives of 30-50 years for buildings, 20 years for improvements and 4-12 years for equipment.

The State's general fixed assets are not depreciated in the General Fixed Assets Account Group. When purchased, such assets are recorded as expenditures in the governmental type funds and Expendable Trust Funds.

Higher Education Units' fixed assets are accounted for in the Investment in Plant Fund and are not depreciated.

Changes in fixed asset (long-lived assets for Higher Education Funds) balances for the fiscal year ended June 30, 1987 follow (in thousands):

	Balance July 1, 1986	Additions/ Transfers	Deletions/ Transfers	Balance June 30, 1987
PROPRIETARY FUNDS				
Land	$ 926	$ -	$ -	$ 926
Buildings/Improvements	3,343	93	-	3,436
Equipment	69,586	8,567	3,404	74,749
Other Fixed Assets	10	17	12	15
Construction in Progress	135	921	972	84
Subtotal/Total	74,000	$ 9,598	$ 4,388	79,210
Accumulated Depreciation	(28,979)			(33,124)
Total	$ 45,021			$ 46,086
NONEXPENDABLE TRUST FUNDS				
Land	$ 49,399	$ -	$ -	$ 49,399
PENSION TRUST FUNDS				
Land	$ 60	$ -	$ -	$ 60
Buildings/Improvements	341	-	-	341
Equipment	152	19	2	169
Subtotal/Total	553	$ 19	$ 2	570
Accumulated Depreciation	(192)			(216)
Total	$ 361			$ 354
GENERAL FIXED ASSETS ACCOUNT GROUP				
Land	$ 38,356	$ 8,161	$ 1,905	$ 44,612
Buildings/Improvements	156,652	27,295	7,658	176,289
Equipment	59,218	7,544	4,526	62,236
Other Fixed Assets*	27,206	105	97	27,214
Construction in Progress	17,817	3,749	15,454	6,112
Total	$ 299,249	$ 46,854	$ 29,640	$ 316,463
HIGHER EDUCATION FUNDS**				
Land	$ 8,876	$ 162	$ -	$ 9,038
Buildings/Improvements	233,385	22,579	342	255,622
Equipment	79,991	26,182	18,740	87,433
Other Fixed Assets	41,650	18,106	14,704	45,052
Construction in Progress	14,224	1,464	12,691	2,997
Intangible Assets	252	171	13	410
Total	$ 378,378	$ 68,664	$ 46,490	$ 400,552

* The beginning balance of other fixed assets was restated to reflect the Montana Historical Society's "best guess" valuation of donated art collections in the amount of $20 million plus $6.1 million for the value of library books.

** Purchased and donated art collections held by the University of Montana are not included on the balance sheet. University of Montana officials estimate that the collection is valued between one and ten million dollars.

9. **COMMITMENTS**

Construction Commitments - At June 30, 1987, the State had $125.4 million of remaining construction authorization; major long-term commitments under unperformed construction contracts were $80.4 million. As of June 30, 1987, the State's material projects related to highway and building construction were composed of the following (in thousands):

	Project Authorization	Expended through June 30, 1987	Remaining Construction Authorization
Department of Highways			
Billings District	$ 6,170	$ 5,719	$ 451
Butte District	46,712	44,247	2,465
Missoula District	20,659	14,385	6,274
Great Falls District	6,304	6,011	293
Glendive District	29,098	26,207	2,891
*Miscellaneous Projects	135,899	80,437	55,462
Total Highways	244,842	177,006	67,836
Department of Administration - Architecture and Engineering Division			
Prison Expansion	16,252	15,567	685
U of M Fine Arts Facility	8,600	8,562	38
DNRC Building	7,358	7,169	189
Miles City Fish Hatchery	5,227	1,726	3,501
Dept. of Justice/State Library Bldg.	6,450	6,305	145
MT State Hospital Forensic Building	6,005	3,844	2,161
MSU Museum of the Rockies	6,090	2,852	3,238
MSU Controlled Environment Facility	5,302	4,890	412
MT Tech Engineering/Classroom Lab	5,374	5,225	149
*Miscellaneous Projects	87,118	40,504	46,614
Total Buildings	153,776	96,644	57,132
Total Construction Commitments	$ 398,618	$ 273,650	$ 124,968

* Less than $5 million per project

Proprietary Fund Types' Commitments - Fixed budgets are legally adopted in Enterprise and Internal Service Funds (excluding depreciation, compensated absences and bad debt expense). Current year appropriations may be committed for goods/services that are not received as of fiscal year-end. These executory commitments are included in unreserved retained earnings in the accompanying financial statements as follows (in thousands):

	AMOUNT
Enterprise Funds	
Liquor Stores	$ 3
Employees' Group Benefits	10
State Lottery	6
Economic Development Board	1
MUS Group Insurance	2
Historical Society	1
Fire Services Training School	2
Total Enterprise Funds' Commitments	$ 25
Internal Service Funds	
Motor Pool	$ 42
Central Data Processing	84
Local Government Audits	6
Prison Ranch	11
Publications & Graphics	13
Communications	23
Buildings & Grounds	57
FWP Equipment	80
FWP Warehouse Inventory	10
Highway Photo & Data Processing	21
Highway Equipment	1,473
Central Stores	31
Commerce Central Services	5
Investment Division	59
Prison Industries	13
Total Internal Service Funds' Commitments	$ 1,928
Total Proprietary Fund Types' Commitments	$ 1,953

10. RETIREMENT SYSTEMS

The State contributes to nine retirement systems - seven as an employer and two (MPORS and FURS) as a non-employer. All retirement plans (except VFRS) are defined benefit plans. The number of years required to obtain vested rights varies among the systems. Contributions to each system are actuarially determined and percentage contributions are set by law. All systems provide early retirement options, death benefits, termination payments (except VFRS) and disability benefits. Additionally, each system functions uniquely as described below:

Public Employees' Retirement System (PERS) - This mandatory, multiple-employer, cost-sharing system provides retirement services to substantially all public employees. Based on gross wages, contributions are 6% for employees and 6.417% for employers. Benefit eligibility is age 60 with at least 5 years of service; age 65 regardless of service; or 30 years of service regardless of age. Actuarially reduced benefits may be taken with 25 years of service or at age 50 with at least 5 years of service. Monthly retirement benefits are determined by taking 1/60 times the number of years of service times the final average salary. Members' rights become vested after 5 years of service.

Teachers' Retirement System (TRS) - This mandatory, multiple-employer, cost-sharing system provides retirement services to all persons employed as teachers or professional staff of any public elementary or secondary school, vocational-technical center or unit of the university system. Based on gross salaries, contribution rates for the employee and employer are 7.044% and 7.428% respectively. Eligibility is met with a minimum of 25 years of service or age 60. The formula for annual benefits is 1/60 times creditable service times the average final compensation. Rights are vested after 5 years of creditable service.

Municipal Police Officers' Retirement System (MPORS) - The State acts as a non-employer contributor to this multiple-employer, cost-sharing system which covers all municipal police officers of cities covered by the plan. Member contribution is 6% of salary for members employed prior to July 1, 1979 and 7.5% of salary for members employed on or after July 1, 1979. City contributions are 13.02% of active policemen's salaries. The State contributions are 15.06% of active policemen's salaries. The State's contribution is funded from the premium tax on motor vehicle property and casualty insurance policies. Minimum years of service are 20 for benefit eligibility. There is no minimum age if employed on or before July 2, 1975; age 50 if employed after that date. Any officers meeting the service year requirements shall receive 1/2 their final average salary. For service greater than 20 years, the allowance will increase 1% of the final average salary per year of additional service up to a maximum of 60% of final average salary. Rights become vested after 10 years of service.

Firefighters' Unified Retirement System (FURS) - The State acts as a non-employer contributor to this multiple-employer, cost-sharing system which was established for fully-paid firefighters. Member contribution is 6% of base compensation and city contributions are 13.02% of total annual compensation. The State contribution is 22.98% of the total annual compensation for all firemen and is paid out of the premium tax on insurance risks. Minimum age is 50 and minimum service is 10 years for benefit eligibility. For members hired prior to July 1, 1981, for the first 20 years of service, the monthly service retirement benefit is equal to 1/2 of the final monthly compensation received. An additional amount equal to 1% for each year in excess of 20 can be received, up to a maximum retirement benefit of 60% of the last monthly compensation earned. For those hired after July 1, 1981, the first 25 years of service earn 1/2 of the final average salary as a service retirement benefit. For each year in excess of 25 (up to a maximum of 5) the service retirement benefits increases to 2% of final average salary. Rights become vested after 10 years of service.

Sheriffs' Retirement System (SRS) - This multiple-employer, cost-sharing system covers all persons employed as sheriffs. The member contribution is 7% of salary; county contribution is 7.67% of salary; and the State contributes administrative expenses. Minimum years of service are 25 and minimum age is 55 for benefit eligibility. The service retirement is calculated as follows: 2% of the final salary for each year of creditable service, up to a maximum of 50% of final salary. Any member with 26 or more years of service shall receive the allowance as calculated above plus an additional 1.35% of the final average salary for each year of creditable service in excess of 25 years, up to a combined maximum benefit of 60% of the final salary. After 10 years of service, an employee has a vested right to service retirement benefits.

Highway Patrolmen's Retirement System (HPRS) - A single-employer system established for all members of the Montana Highway Patrol, including supervisory personnel. Member and State contributions are 7.59% and 26.75% of active highway patrolmen's salaries, respectively. There is no minimum age but minimum service is 20 years for benefit eligibility. The service retirement allowance is based on a formula of 2% times the number of years of service (up to 25 years) times the final average salary plus 1% of the final average salary for each year over the initial 25 years of service. Ten years of service constitutes the basis for vested rights.

Judges' Retirement System (JRS) - This single-employer system provides retirement services for all persons employed as a judge of a district court or justice of the Supreme Court. Contribution is 6% for the member, except those members elected or appointed after July 1, 1983 who contribute 7% of their salary; the State contributes 6% of active judges' salaries, district court fees collected equal to 31% of salaries payable to district court judges and Supreme Court justices and 25% of Supreme Court fees. Minimum service is 5 years and minimum age is 65 for benefit eligibility. The monthly retirement allowance formula is 3 1/3% times the

number of years of service (to a maximum of 15 years) times the current annual salary divided by 12, plus 1% of salary for each year of service after 15 years. Five years of creditable service determines the basis for vested rights.

Game Wardens' Retirement System (GWRS) - This single-employer system was established for all persons employed as a game warden, including all supervisory personnel. Contribution from the member is 7.9% of salary (optional after 25 years of membership). The State contribution is 7.15% of active game wardens' salaries, plus all collections from fines and forfeited bonds. Minimum age is 55 and minimum years of service are 20 for benefit eligibility. The formula for a service retirement allowance is 2% times the number of years of service times the final average salary. Ten years of service is required for vested right privileges.

Volunteer Firefighters' Retirement System (VFRS) - Established for all volunteer firefighters of unincorporated areas. State contribution is 5% of fire insurance premium taxes collected. This retirement system is required by law to be fully funded and cannot pay benefits unless money is available. Rights become vested after 20 years of service.

All of the retirement systems, except VFRS, are funded on an "entry-age, normal cost" basis. This method establishes a "normal cost" for each member, as well as an unfunded accrued liability. The annual normal cost is the level of percentage of annual salary required to fund the benefits, assuming that percentage has been contributed since the member's entry into the system. To maintain the fund on an actuarially sound basis, the rate of contributions should fund the normal cost in addition to amortizing the unfunded liability over a period of 40 years. The unfunded accrued liability represents the excess of the present value of total liabilities over the present assets of the fund and the present value of expected future contributions for the normal cost.

Actuarial valuations are performed every two years. The valuations were for the period ended June 30, 1986 (1987 for TRS). Hendrickson & Associates prepared the actuary reports for the eight retirement systems - no actuary report is prepared for VFRS. These reports may be referenced for more in-depth information.

The following table discloses various information by retirement system (dollar amounts expressed in thousands) as of June 30, 1987:

	PERS	TRS*	MPORS	FURS	SRS	HPRS	JRS	GWRS	VFRS
Schedule A Membership									
Employee Groups -									
Active	27,249	15,083	431	436	526	193	42	84	N/A
Inactive	10,276	4,054	12	17	58	9	4	1	N/A
Retired	8,802	5,861	381	365	72	155	22	46	422
Total Members	46,327	24,998	824	818	656	357	68	131	422
Schedule B Expense/Contributions									
Pension Plan Expense	$ 515	$ 504	$ 21	$ 21	$ 15	$ 9	$ 3	$ 4	$ 35
Employee Contributions	$ 26,950	$ 28,884	$ 638	$ 554	$ 836	$ 465	$ 127	$ 193	$ N/A
Employer Contributions	$ 27,890	$ 28,456	$ 1,238	$ 1,211	$ 891	$ 874	$ 123	$ 172	$ N/A
Other Contributions	$ -	$ -	$ 2,499	$ 3,033	$ -	$ 655	$ 459	$ 219	$ 468
Schedule C Actuarial present value of accumulated plan benefits									
Vested	$ 883,847	$ 940,597	$48,782	$55,817	$29,804	$30,661	$12,300	$ 8,879	N/A
Nonvested	318,277	395,891	27,858	33,332	3,046	14,255	6,251	3,696	N/A
Total	$1,202,124	$1,336,488	$76,640	$89,149	$32,850	$44,916	$18,551	$12,575	N/A
Schedule D Other Information									
Net assets available for benefits	$ 628,759	$503,575	$25,480	$23,566	$22,479	$18,436	$ 9,019	$ 7,941	$5,248
Unfunded liability	$ 275,203	$586,200	$34,759	$49,127	$ -	$20,900	$ 5,062	$ 3,047	**
Market value of investments	$ 492,375	$407,417	$20,685	$16,768	$19,638	$15,680	$ 7,496	$ 6,538	$4,692
Assumed rate of return used by actuary	8%	8%	8%	8%	8%	8%	8%	8%	N/A
Assumed inflationary increase for future salaries ***	4%	6.5%	4%	4%	4%	4%	4%	4%	N/A

N/A - Information not applicable.

* TRS actuarial valuations are from the FY87 actuary report.

** The VFRS has no unfunded liability because it is required by law to be fully funded and cannot pay benefits unless money is available. VFRS in a noncontributory pension system.

*** A select rate of 4% was assumed for each of the next five years (except TRS and VFRS).

11. **SEGMENT INFORMATION**

Selected financial information concerning all enterprise operations for the fiscal year ended June 30, 1987 is as follows (in thousands):

	Housing Authority	Economic Develop-ment Board	Employees Group Benefits	Liquor Stores	State Lottery	MUS Group Insurance	Other* Enterprise	Total Enterprise
Operating Revenues:								
Charges for Services	$ 62	$ 158	$18,604	$36,135	$4,793	$ -	$ 578	$ 60,330
Investment Earnings	58,511	3,089	1,664	-	-	300	-	63,564
Taxes	-	-	-	9,153	-	-	-	9,153
Other Revenues	3	-	-	-	-	7,421	35	7,459
Operating Expenses:								
Depreciation	13	7	2	99	19	-	44	184
Other	55,431	3,306	18,061	32,096	3,521	7,338	550	120,303
Operating Income (Loss)	3,132	(66)	2,205	13,093	1,253	383	19	20,019
Nonoperating Revenues (Expenses)	-	(1)	-	(2)	-	-	(4)	(7)
Operating Transfers In (Out)	-	175	-	(14,158)	-	-	43	(13,940)
Net Income (Loss)	$ 3,132	$ 108	$ 2,205	($ 1,067)	$1,253	$ 383	$ 58	$ 6,072
Current Assets	$ 75,712	$31,993	$15,268	$ 8,745	$4,003	$4,808	$ 530	$141,059
Current Liabilities	5,004	837	450	3,240	3,432	4	158	13,125
Net Working Capital	$ 70,708	$31,156	$14,818	$ 5,505	$ 571	$4,804	$ 372	$127,934
Total Assets	$588,914	$42,010	$21,276	$10,328	$5,503	$4,808	$1,192	$674,031
Total Liabilities	$545,667	$41,914	$ 3,801	$ 3,524	$4,280	$1,219	$ 178	$600,583
Fund Equity	$ 43,247	$ 96	$17,475	$ 6,804	$1,223	$3,589	$1,014	$ 73,448
Long-Term Obligations	$540,663	$41,077	$ 3,351	$ 284	$ 848	$1,215	$ 20	$587,458
Contributed Capital	$ -	$ 23	$ -	$ 1,916	$ -	$ -	$ 646	$ 2,585
Acquisition of Fixed Assets	$ -	$ 27	$ 4	$ 26	$1,520	$ -	$ 106	$ 1,683
Disposal of Fixed Assets	$ 9	$ 1	$ -	$ 21	$ 1	$ -	$ 6	$ 38

1. The Housing Authority provides financing to qualified individuals to purchase residential housing by issuing bonds and carrying federally insured mortgage notes.

2. The Economic Development Board assists Montana's small businesses and local governments in obtaining long-term, fixed-rate financing through private Montana lending institutions.

3. The Employees Group Benefits fund receives non-higher education unit employee withholdings and State contributions to the medical/dental self-insurance plan.

4. The Liquor Division of the Department of Revenue administers the State liquor operations (Liquor Stores). In addition to selling liquor and wines, the division issues licenses and permits to wholesalers and retailers and collects taxes.

5. The State Lottery accounts for the operations of Montana's lottery which began in June, 1987.

6. MUS Group Insurance accounts for contributions to the Montana University System's (MUS) medical/dental self-insurance plan.

* Other Enterprise is composed of the following funds (listed by administering agency):

Department of Agriculture
Beginning Farm Loans
Leaf-Cutting Bee

Department of Commerce
Health Facilities Authority
West Yellowstone Airport

Fish, Wildlife and Parks
FWP Snowgroomer Rental

Montana Historical Society
Historical Society Publications

Fire Services Training School
Fire Services Training

12. DEFERRED COMPENSATION PLAN

Since 1976, the State of Montana has offered a deferred compensation plan which allows employees to set aside a portion of their salary each payday towards retirement while deferring the State and federal income taxes until future years. The payroll deferrals are invested with Nationwide Insurance. All employees of the State are eligible to participate. The plan operates under the sanction of both State and federal laws (Section 457 of the Internal Revenue Code). The deferred compensation is not available to the employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the State (without being restricted to the provisions of benefits under the plan), subject only to the claims of the State's general creditors. In the past, the plan assets have been used for no purpose other than to pay benefits. The State believes that it is unlikely it will use the assets to satisfy the claims of general creditors in the future because of the contractual arrangement with Nationwide Insurance and the State's obligation to participants for their account balance. State statute requires there be no financial liability of the State or a political subdivision for any investment losses incurred by any eligible deferred compensation plan. However, the State does have the duty of care that would be required of an ordinary prudent investor. As of June 30, 1987, the net assets of the plan available for benefits totalled $40.508 million.

The following is a summary of the increases and decreases of this Employees Deferred Compensation Agency Fund for the fiscal year ended June 30, 1987 (in thousands):

Fund Assets (at market value), July 1, 1986	$ 32,913
Deferrals of compensation	6,087
Earnings and adjustment to market value	3,826
Payments to eligible participants and beneficiaries	(1,984)
Administrative expenses	(334)
Fund Assets (at market value), June 30, 1987	$ 40,508

13. CONTINGENCIES

Litigation - The Blackfeet Tribe of Indians sued in 1978 for a declaratory judgment that all taxes on the royalty share of production of oil and gas beneficially owned by the Tribe are invalid. A federal district court dismissed the complaint and the Tribe appealed to the Ninth Circuit Court of Appeals. In December 1982, the Court of Appeals upheld the judgement of the district court. A rehearing was granted and heard before an 11-member panel in November 1983. The district court judgment was reversed. On June 3, 1985, the United States Supreme Court affirmed the Ninth Circuit, rejecting Montana's claim that the taxing proviso in the act of May 29, 1924, applied to oil and gas leases issued pursuant to the Indian Mineral Leasing Act of 1938. The case was thereafter remanded to the district court for further proceedings, including trial if necessary. The parties, however, entered into settlement agreement in July 1987 which, if implemented, will resolve the Tribe's claims. The agreement provides for the payment of $963,000 to the Tribe by the State upon, inter alia, securing releases from certain non-Indian producers who deducted moneys from tribal royalties for the purpose of paying that portion of the challenged taxes attributable to the tribal royalty amount. All required releases have not yet been obtained and the case therefore remains pending. Aside from the tribal claims, various non-Indian producers have initiated State court proceedings alleging the oil and gas taxes are preempted with respect to all production within the Blackfeet, Fort Peck and Rocky Boy Indian reservations. It is also possible these producers may file amended returns to recover additional amounts.

The Crow Indian Tribe filed suit in 1978 in federal district court seeking a declaration that Montana's coal severance and gross proceeds taxes are invalid as applied to the production of coal on the Crow Reservation and to the production of coal owned by the Tribe located in an off-reservation area, known as the "Crow ceded area" or "ceded strip", which lies roughly between the northern boundary of the reservation and the Yellowstone River. The amount of coal reserved falling within these categories has not been precisely determined. The taxes were alleged to be invalid under a variety of theories, of which the most prominent were that the State taxes conflict with federal policy by preventing the marketing of Crow coal and infringe on tribal sovereignty by depriving the Tribe of revenue needed to provide governmental services to the Crow people. In addition to a declaration that the taxes were invalid, the Tribe sought restitution for an amount equal to the severance and gross proceeds taxes paid by Westmoreland Resources, Inc. (Westmoreland), the only company currently mining coal claimed by the Tribe, together with the interest which accrued to the Coal Severance Tax Trust Fund on the amount of taxes paid. At the trial, the Tribe presented alternative recovery theories under which the State's exposure could exceed $100 million.

In January 1983, the court ordered Westmoreland's future severance tax payments placed in escrow pending the outcome of the litigation. The State has received no severance tax payments from Westmoreland with respect to the coal mined on the ceded strip since the entry of this order. The amount escrowed to date is approximately $26 million. Prior to 1983, Westmoreland's annual severance tax payments varied from a low of $5.407 million in 1976 to a high of $7.078 million in 1979.

On September 10, 1985, the United States District Court for the District of Montana, Billings Division, held that the Montana coal severance tax is valid insofar as it is applied to the production of coal held by the United States in trust for the Crow Tribe on the ceded strip. The court specifically declined to rule on whether application of the State's tax on coal producers on the reservation would be valid. Currently no coal is being mined on the reservation. On June 11, 1987, the Ninth Circuit Court of Appeals reversed the district court's decision and ruled that Montana is preempted from applying its severance and gross proceeds taxes on coal within the ceded strip held in trust for the Crow Tribe and on coal mined on the reservation.

On August 28, 1987, the State docketed an appeal of the decision to the United States Supreme Court. The State believes its positions are meritorious, but the ultimate outcome of the case cannot be predicted with certainty.

The State of Montana and its Board of Public Education are defendants in a suit that challenges the present level and system of funding Montana's public elementary and secondary schools. Plaintiffs charge that the State's school funding system is an unconstitutional denial of equal protection and that the current level of funding fails to provide a "basic system of free quality" education, as is required by the State constitution. The plaintiffs seek a declaratory judgment and injunction or other appropriate relief. The current sources of school funding are various earmarked State revenues as well as revenues from a statewide property tax. Local school boards are permitted to authorize certain limited levies over and above the basic statewide levy without voter approval. In addition, local boards may propose unlimited levies to the voters of their school districts. The State believes that the constitutional challenge is without merit and is actively defending the challenge along with various interested parties who have intervened. The suit was filed in April 1985, and went to trial in May 1987. A decision is not expected to be rendered until January 1988. Should the plaintiffs prevail, the State could be required to fund the school program by an additional $100 million per year of the biennium, in addition to the current allotment for the program, which is approximately $490 million. Additionally, plaintiffs have requested that all attorney and court costs related to this action (amounting to $500,000) be paid by the State following a common trust doctrine.

Federal Assistance

Grants - The State receives federal grants and entitlements for specified purposes which are subject to review and to audit by the grantor agencies. Any disallowances resulting from these audits would become the liability of the State. As of June 30, 1987, the State estimates that no material liabilities will result from such audits.

Food Stamp Coupons - The State had custodial responsibility for $9,476,750 of USDA food stamp coupons as of June 30, 1987, for which the State is liable in the event of loss. In fiscal year 1987, Montana issued $32,805,167 in food coupons.

USDA Donated Commodities - The State had custodial responsibility for $1,409,394 of USDA donated food commodities as of June 30, 1987, for which the State is liable in the event of loss. Commodities distributed in fiscal year 1987 totaled $8,532,880.

Gain Contingencies - Certain natural resource and corporation tax assessments are not reported on the State's financial statements because they are being protested either administratively or in a court of law. As of June 30, 1987, the following assessments (by fund type) were outstanding (in thousands):

Taxes	General	Special Revenue	Debt Service	Nonexpendable Trust
Corporation	$ 11,340	$ 4,430	$ 1,949	$ -
Coal Severance	5,942	3,127	313	15,636
Metal Mines Tax	288	144	-	-
Oil Severance	-	-	-	-
Gas Severance	273	-	-	-
Resource Indemnity	-	-	-	4,819
Totals	$ 17,843	$ 7,701	$ 2,262	$ 20,455

Collectibility of these contingencies is dependent upon the decisions of the court or other authorities.

14. SELF-INSURANCE FUNDS

The State of Montana maintains several self-insurance plans. A brief description of each plan and the method of recording transactions are discussed below.

Group Employee Comprehensive Medical and Dental Plan - This plan is fully self-insured, with the State assuming all the risk for claims incurred by employees of the State, elected officials, retirees and their dependents, except for organ transplants which have been reinsured with the Equitable Life Assurance Society of the United States of America. There is no third party coverage. Blue Cross and Blue Shield of Montana administers the plan under contract.

Premiums are collected through payroll deductions, deductions through the Public Employees' Retirement System and self-payment and are recorded as revenue in the Employees' Group Benefits Enterprise Fund.
In July 1987 incurred, but not reported, claims were estimated by Martin E. Segal Company, a consulting actuarial firm, to be $3,316,000; a liability for $3,340,900 has been recorded in the accompanying financial statements for these and other estimated claims.

Property Insurance Plans - This self-insurance plan provides coverage for general liability, automobile liability, automobile physical damage, retail liquor stores inventory and inland marine.

The State self-insures the $100,000 deductible per occurrence for property insurance. The third party pays the next $50 million per occurrence.

Premiums are collected from all State agencies including Higher Education Units and recorded as revenue in the Administration Insurance Internal Service Fund.

The most recent actuary report, prepared by Coopers & Lybrand and issued for the accident period 7/1/77-6/30/86, estimated that the present fund balance reserve is insufficient by $38 million.

Montana University System Group Benefits Plan - This plan was authorized by the Regents to provide medical, dental and vision insurance coverage to employees of the Montana University System (MUS). It is best described by the term minimum premium and is a modified form of self-insurance. Under minimum premium, MUS assumes the liability for claims up to the expected annual amount. If claims exceed the predicted amount, the insurance company (United of Omaha) is liable for excess claims. Each month the University System sends United of Omaha approximately 10% of the premium due (hence the term minimum premium). The balance (90%) is held and invested until needed to pay claims. Premiums are collected from employees through payroll deductions and recorded in the MUS Group Insurance Enterprise Fund (Higher Education Auxiliary Fund for the fiscal year ending June 30, 1986). A prior period adjustment has been recorded in the accompanying financial statements to move this activity from the Higher Education Auxiliary Fund to the Enterprise Fund to reflect the MUS administration of the plan and to consistently report all self-insurance activity in the Enterprise Funds. The advantage of a minimum premium plan is that interest is earned on reserves while protecting the plan if claims exceed expected amounts. The incurred but not reported claims are estimated to be $1,211,698; a liability has been recorded in the accompanying financial statements for these estimated claims.

15. UNEMPLOYMENT INSURANCE COMPENSATION

Unemployment compensation benefits are funded in the State through unemployment insurance taxes levied against employers. The funds collected from this tax are deposited in the Unemployment Insurance Clearing Account and transferred daily to a trust fund in Washington, D.C. The United States Secretary of the Treasury is the trustee of this fund. The moneys are then transferred back to the State's Benefit Payment Account for disbursement as unemployment insurance benefits. Transfers are made weekly at the request of the Montana Department of Labor and Industry.

Prior to 1986, the State's Unemployment Insurance trust fund was insolvent. In order to fulfill benefit payments, the State borrowed from the federal trust fund. The 1985 Legislature passed measures which increased employers' taxes and reduced the amount of benefits paid. These were adopted from the Unemployment Insurance Advisory Council recommendations. As of June 30, 1987, all federal loans had been retired and the State's trust fund had a fund balance of $35.9 million. The State does not anticipate borrowing from the federal trust fund during the coming biennium.

16. **NONEXPENDABLE TRUST FUNDS' INVESTMENT INCOME**

Investments are recorded in Nonexpendable Trust Funds using the full accrual basis of accounting. However, certain investment earnings attributable to these trusts are recorded elsewhere, as summarized below:

Nonexpendable Trust Fund	Reporting of Investment Earnings
Permanent Coal Tax	Permanent Trust and In-State Investment Accounting Entities-Investment earnings are reported in an Expendable Trust Fund and distributed 100% to the General Fund for fiscal year 1986-1987. Fifteen percent of total investment earnings, from July 1, 1983 through June 30, 1986, are reported as additional trust corpus. According to State statute, this portion of the trust corpus ($13.7 million) may be appropriated with a three-fourths vote of each house of the Legislature.
Education	Investment earnings attributable to this trust are recorded in the Nonexpendable Trust Fund, then transferred as follows: 77.5% to the Office of Public Instruction for public schools (67.5%) and vocational-technical centers (10%); the remaining 22.5% goes to the Board of Regents for distribution to higher education institutions. Subsequent to July 1, 1987, the 10% for vocational-technical centers will go to the Board of Regents.
Resource Indemnity	Investment earnings are reported in an Expendable Trust Fund and distributed to the State Special Revenue Fund as follows: 64% is distributed to the following agencies for various projects-Environmental Quality Council, Department of State Lands, Department of Fish, Wildlife and Parks, Department of Natural Resources and Conservation, Department of Labor and Industry, University of Montana, Bureau of Mines, Forestry Experiment Station, Department of Health and Environmental Sciences, Montana State University, Governor's Office, Montana State Library and other entities outside State government; 30% subsidizes water development projects of the Department of Natural Resources and Conservation; and 6% funds implementation of the Hazardous Waste Act, administered by the Department of Health and Environmental Sciences.
Parks, Cultural and Aesthetic Projects	Investment earnings are reported in an Expendable Trust Fund and distributed to the State Special Revenue Fund as follows: two-thirds to the Department of Fish, Wildlife and Parks for the acquisition and maintenance of parks; and, one-third to the Montana Arts Council for cultural and aesthetic projects.
Land Grants	Ninety-four percent of investment earnings are reported in the State Special Revenue Fund for the Office of Public Instruction to distribute to public schools; five percent is distributed to Higher Education Units (Current and Plant Funds); and, one percent to the Department of Institutions (General Fund and Interest and Income Special Revenue Fund).
Real Property	All investment earnings are reported in the State Special Revenue Fund for use by the Department of Fish, Wildlife and Parks to operate, maintain and develop its real property.
Thomas Teakle	Investment earnings are reported in the Private Donations Special Revenue Fund for the Montana Historical Society's library acquisitions.
BN Settlement	All investment earnings are reported in the BN Settlement Expendable Trust Fund.

17. **FUND DEFICITS**

The following funds have a deficit fund equity as of June 30, 1987 (in thousands):

	Amount
Enterprise Fund Type	
Leaf-Cutting Bee	$ (1)
Internal Service Fund Type	
Administration - Legal	(3)
Higher Education Fund Type	
General Operating Subfund *	(10,548)

* This deficit is the result of recording compensated absences.

18. **STATE COMPENSATION INSURANCE**

The payment of benefits to injured workers is funded through employer contributions to the State operated workers' compensation insurance system. At June 30, 1986, actuarial liabilities exceeded assets by $81,021,967. The 50th Legislature, in Chapter 664, provided for a .3% payroll tax for all employers based on total wages paid. This tax is effective from July 1, 1987 through June 30, 1991. Legislative intent is to alleviate cash flow problems, but this action will not address the deficit. Chapter 464, which changed the benefit structure, will affect only future payments and will have no effect on the prior liability.

At June 30, 1987, it is estimated that the unfunded liability is between $140 and $145 million. There are no funds presently available as a contingency reserve.

19. **SUBSEQUENT EVENTS**

- The Montana Economic Development Board issued $18 million of Municipal Finance Construction Act Bonds in July, 1987.
- The Montana Health Facilities Authority issued $16.025 million of refunding bonds for the Bozeman Deaconess Foundation Project on July 28, 1987.
- The Board of Regents issued $1.445 million in bonds to defease the D.A. Davidson note for Northern Montana College on August 19, 1987.
- The Board of Regents issued $3.945 million of special purpose bonds in August, 1987 for the University of Montana.
- On July 8, 1987, $42 million of tax and revenue anticipation notes were issued and are due June 30, 1988.
- Tax and revenue anticipation notes of $14 million were issued November 3, 1987, and are due June 30, 1988.
- The State lost a class action suit before the Montana Supreme Court which challenged the constitutionality of a statute limiting general assistance to two months during a twelve-month period for able-bodied persons without dependent minor children. There is a $2 million per year cost to the General Fund.

COMBINING FINANCIAL STATEMENTS/SCHEDULES

The financial statements that follow provide detailed information on the financial position and results of operations, by fund, for each fund type. Budget basis schedules provide comparisons of the legally established budget with actual data on the budgetary basis for expenditures/expenses and transfers out. These schedules were compiled from the Statewide Budgeting and Accounting System (SBAS).

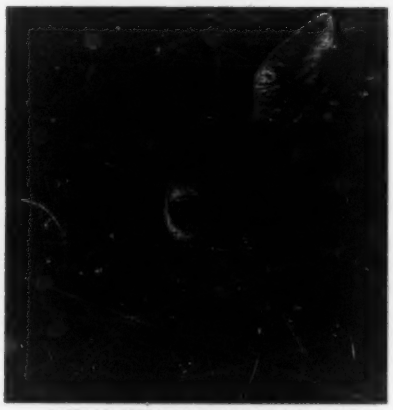


PHOTO COURTESY OF MONTANA PROMOTION DIVISION

MONTANA

naturally inviting!

PAGE LEFT INTENTIONALLY BLANK

GOVERNMENTAL FUNDS

General Fund - To account for all governmental financial resources except those required to be accounted for in another fund.

Special Revenue Funds - To account for the proceeds of specific revenue sources restricted to expenditure for specified purposes (other than expendable trusts or major capital projects).

Debt Service Funds - To account for resources accumulated for payment of principal and interest on general long-term obligations.

Capital Projects Funds - To account for resources used for the acquisition or construction of major capital facilities (other than those financed by proprietary or trust funds).

GENERAL FUND

The General Fund is used to account for all governmental financial resources except those required to be accounted for in another fund.

STATE OF MONTANA
Balance Sheet
General Fund
June 30, 1987
(Expressed in Thousands)

	TOTALS - June 30	
	1987	1986
ASSETS:		
Cash/Cash Equivalents	$ 8,766	$ 11,194
Receivables (Net)	18,981	19,797
Interfund Loans Receivable	8,988	7,034
Due from Other Governments	240	2,762
Due from Other Funds	23,708	43,257
Inventories	1,792	1,805
Long-Term Notes/Loans Receivable	389	439
Other Assets	405	1,581
TOTAL ASSETS	$ 63,269	$ 87,869
LIABILITIES/FUND BALANCE:		
Liabilities:		
Accounts Payable	$ 20,631	$ 15,140
Interfund Loans Payable	-	24,360
Due to Other Governments	47	4
Due to Other Funds	4,822	10,117
Deferred Revenue	17,494	19,421
Property Held in Trust	942	73
Other Liabilities	1	-
Total Liabilities	43,937	69,115
Fund Balance:		
Reserved For:		
Encumbrances	1,531	947
Inventories	1,792	1,805
Long-Term Loans	5,452	-
Unreserved	10,557	16,002
Total Fund Balance	19,332	18,754
TOTAL LIABILITIES/FUND BALANCE	$ 63,269	$ 87,869

STATE OF MONTANA
Statement of Revenues, Expenditures and Changes in Fund Balance
General Fund
For the Fiscal Year Ended June 30, 1987
(Expressed in Thousands)

	TOTALS YEAR ENDED JUNE 30	
	1987	1986
REVENUES:		
Licenses/Permits	$ 27,732	$ 25,804
Taxes:		
Gas/Oil/Coal Production	30,546	46,045
Individual Income	121,479	110,218
Corporate Income	19,683	33,846
Other	20,905	19,945
Charges for Services/Fines/Forfeits	16,576	16,622
Investment Earnings	15,214	15,292
Sale of Documents/Merchandise/Property	3,468	49
Rentals/Leases/Royalties	136	152
Grants/Contracts/Donations	1	-
Federal	352	215
Federal Indirect Cost Recoveries	550	561
Other Revenues	2,946	5,629
Total Revenues	259,588	274,378
EXPENDITURES:		
Current:		
General Government	33,697	39,444
Public Safety/Corrections	30,659	33,187
Transportation	1,620	1,866
Health/Social Services	134,554	118,406
Education/Cultural	45,322	47,602
Resource Development/Recreation	11,256	13,876
Economic Development/Assistance	15,547	8,871
Debt Service:		
Principal Retirement	65	58
Interest/Fiscal Charges	4,345	2,147
Capital Outlay	1,650	3,717
Total Expenditures	278,715	269,174
Excess of Revenues Over (Under) Expenditures	(19,127)	5,204
OTHER FINANCING SOURCES (USES):		
Bond Proceeds	126	72
Inception of Lease/Installment Contract	74	43
Operating Transfers In	85,002	79,203
Operating Transfers Out	(106,838)	(102,741)
Total Other Financing Sources (Uses)	(21,636)	(23,423)
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses	(40,763)	(18,219)
FUND BALANCE - July 1 - As Previously Reported	18,754	33,146
Prior Period Adjustments	-	(23)
FUND BALANCE - July 1 - As Restated	18,754	33,123
Increase (Decrease) in Inventories	(13)	(330)
Residual Equity Transfers	41,354	4,180
FUND BALANCE - JUNE 30	$ 19,332	$ 18,754

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - GENERAL FUND
FOR FISCAL YEAR ENDING JUNE 30, 1987 (EXPRESSED IN THOUSANDS)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
LEGISLATIVE AUDITOR				
AUDIT & EXAMINATION PROGRAM	$ 1,054		$ 1,018	$ 36
TOTAL AGENCY	**$ 1,054**		**$ 1,018**	**$ 36**
LEGISLATIVE FISCAL ANALYST				
ANALYSIS AND REVIEW	756		737	19
TOTAL AGENCY	**$ 756**		**$ 737**	**$ 19**
LEGISLATIVE COUNCIL				
LEGISLATIVE COUNCIL FEED BILL	792		465	327
INTERIM STUDIES & CONFERENCES	209		182	27
LEGISLATIVE COUNCIL	2,033		1,862	171
TOTAL AGENCY	**$ 3,034**		**$ 2,509**	**$ 525**
LEGISLATURE-SENATE				
LEGISLATURE - SENATE	1,740		1,182	558
TOTAL AGENCY	**$ 1,740**		**$ 1,182**	**$ 558**
LEGISLATURE-HOUSE				
LEGIS.- HOUSE OF REPRESENTATIV	2,632		1,878	754
TOTAL AGENCY	**$ 2,632**		**$ 1,878**	**$ 754**
ENVIRONMENTAL QUALITY COUNCIL				
ENVIRONMENTAL QUALITY PROGRAM	231		208	23
TOTAL AGENCY	**$ 231**		**$ 208**	**$ 23**
JUDICIARY				
SUPREME COURT OPERATIONS	1,287		1,250	37
BOARDS AND COMMISSIONS	179		171	8
LAW LIBRARY	505		493	12
DISTRICT COURT OPERATIONS	2,228		2,194	34

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - GENERAL FUND
FOR FISCAL YEAR ENDING JUNE 30, 1987 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
JUDICIARY				
TOTAL AGENCY	**$ 4,199**		**$ 4,108**	**$ 91**
GOVERNORS OFFICE				
EXECUTIVE OFFICE PROGRAM	1,269		1,143	126
MANSION MAINTENANCE PROGRAM	63		60	3
AIR TRANSPORTATION PROGRAM	104		92	12
OFFICE OF BDGET & PGM PLANNING	675		672	3
LT. GOVERNOR	224		221	3
CITIZENS ADVOCATE OFFICE	50		49	1
MENTAL DIS BD VISITORS	121		121	0
TOTAL AGENCY	**$ 2,506**		**$ 2,358**	**$ 148**
SECRETARY OF STATES OFFICE				
RECORDS MANAGEMENT PROGRAM	850		845	5
TOTAL AGENCY	**$ 850**		**$ 845**	**$ 5**
COMMISSIONER OF POLITICAL PRAC				
ADMINISTRATION	135		132	3
TOTAL AGENCY	**$ 135**		**$ 132**	**$ 3**
STATE AUDITORS OFFICE				
CENTRAL MANAGEMENT	353		351	2
AUDIT DIVISION	698		694	4
TOTAL AGENCY	**$ 1,051**		**$ 1,045**	**$ 6**
OFFICE OF PUBLIC INSTRUCTION				
CHIEF STATE SCHOOL OFFICER	133		131	2
BASIC SKILLS	860		852	8
VOCATIONAL EDUCATION	332		330	2
ADMINISTRATIVE SERVICES	1,167		1,151	16
SPECIAL SERVICES	132		131	1
DISTRIBUTION TO PUBLIC SCHOOLS	34,196		34,179	17
DISTRIBUTION TO PUBLIC SCHOOLS		33,079	23,529	9,550
TOTAL AGENCY	**$ 36,820**	**$ 33,079**	**$ 60,303**	**$ 9,596**

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - GENERAL FUND
FOR FISCAL YEAR ENDING JUNE 30, 1987 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
CRIME CONTROL DIVISION				
BOARD OF CRIME CONTROL	$ 468		$ 454	$ 14
TOTAL AGENCY	**$ 468**		**$ 454**	**$ 14**
DEPARTMENT OF JUSTICE				
LEGAL SERVICES DIVISION	764		738	26
INDIAN LEGAL JURISDICTION	244		151	93
COUNTY PROSECUTOR SERVICES	132		124	8
DRIVER SERVICES BUREAU	1,707		1,693	14
LAW ENFORCEMENT SERVICES DIV	78		76	2
COUNTY ATTORNEY PAYROLL	917		912	5
FIRE MARSHAL BUREAU	306		301	5
IDENTIFICATION BUREAU	222		216	6
CRIMINAL INVESTIGATION BUREAU	157		150	7
CENTRAL SERVICES DIVISION	366		349	17
DATA PROCESSING DIVISION	315		299	16
EXTRADITION & TRANSP PRISONERS	148		134	14
TOTAL AGENCY	**$ 5,356**		**$ 5,143**	**$ 213**
PUBLIC SERVICE REGULATION				
PUBLIC SERVICE REGULATION PROG	24		14	10
TOTAL AGENCY	**$ 24**		**$ 14**	**$ 10**
BOARD OF PUBLIC EDUCATION				
ADMINISTRATION	110		107	3
TOTAL AGENCY	**$ 110**		**$ 107**	**$ 3**
COMMISSIONER OF HIGHER ED				
ADMINISTRATION PROGRAM	750		748	2
STUDENT ASSISTANCE PROGRAM	776		773	3
COMMUNITY COLLEGE ASSISTANCE	3,040		3,040	0
APPROPRIATION DISTRIBUTION		75,010	75,010	0
TOTAL AGENCY	**$ 4,566**	**$ 75,010**	**$ 79,571**	**$ 5**

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - GENERAL FUND
FOR FISCAL YEAR ENDING JUNE 30, 1987 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
SCHOOL FOR THE DEAF & BLIND				
ADMINISTRATION PROGRAM	$ 212		$ 210	$ 2
GENERAL SERVICES PROGRAM	256		256	0
STUDENT SERVICES	650		641	9
EDUCATION	902		890	12
AUDIOLOGY PROGRAM	492		488	4
TOTAL AGENCY	**$ 2,512**		**$ 2,485**	**$ 27**
MONTANA ARTS COUNCIL				
PROMOTION OF THE ARTS	52		52	0
GRANTS	20		20	0
SPECIAL PROJECTS	37		36	1
TOTAL AGENCY	**$ 109**		**$ 108**	**$ 1**
LIBRARY COMMISSION				
REFERENCE/INFORMATION SERVICES	253		253	0
LIBRARY DEVELOPMENT	32		31	1
INSTITUTIONAL LIBRARY SERVICES	10		10	0
PHYSICALLY HANDICAPPED SERVICE	36		35	1
ADMINISTRATION	99		98	1
TECHNICAL SERVICES	82		82	0
TOTAL AGENCY	**$ 512**		**$ 509**	**$ 3**
HISTORICAL SOCIETY				
ADMINISTRATION PROGRAM	389		389	0
LIBRARY PROGRAM	154		154	0
MUSEUM PROGRAM	208		208	0
MAGAZINE PROGRAM		40	40	0
PHOTOGRAPH ARCHIVES PROGRAM	79		79	0
HISTORICAL SITES PRESERVATION	68		68	0
ARCHIVES PROGRAM	110		110	0
EDUCATION PROGRAM	14		13	1
TOTAL AGENCY	**$ 1,022**	**$ 40**	**$ 1,061**	**$ 1**
BOARD OF REGENTS				
ADMINISTRATION PROGRAM	26		26	0
TOTAL AGENCY	**$ 26**		**$ 26**	**0**

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - GENERAL FUND
FOR FISCAL YEAR ENDING JUNE 30, 1987 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
FIRE SERVICES TRAINING SCHOOL				
FIRE SERVICES TRAINING SCHOOL	$ 210		$ 209	$ 1
TOTAL AGENCY	**$ 210**		**$ 209**	**$ 1**
DEPT HEALTH & ENVIRON SCIENCES				
DIRECTOR'S PROGRAM	516		495	21
FINANCIAL MANAGEMENT DIVISION	288		276	12
ENVIRONMENTAL SCIENCES DIV	1,264		1,225	39
MANAGEMENT SERVICES DIV.	448		430	18
HEALTH SERV/MEDICAL FAC DIV	1,218		1,138	80
TOTAL AGENCY	**$ 3,734**		**$ 3,564**	**$ 170**
DEPARTMENT OF STATE LANDS				
CENTRAL MANAGEMENT PROGRAM	850		840	10
RECLAMATION PROGRAM	520		513	7
LAND ADMINISTRATION PGM	517		517	0
FORESTRY	4,980		4,974	6
TOTAL AGENCY	**$ 6,867**		**$ 6,844**	**$ 23**
DEPARTMENT OF LIVESTOCK				
CENTRALIZED SERVICES PROGRAM	58		56	2
DIAGNOSTIC LABORATORY PROGRAM	300		300	0
MILK & EGG PROGRAM	210		210	0
TOTAL AGENCY	**$ 568**		**$ 566**	**$ 2**
DEPT NAT RESOURCE/CONSERVATION				
CENTRALIZED SERVICES	979		964	15
CONSERVATION DISTRICTS	334		322	12
WATER RESOURCES & PLANNING	2,258		2,232	26
ENERGY PLANNING	436		392	44
TOTAL AGENCY	**$ 4,007**		**$ 3,910**	**$ 97**
DEPARTMENT OF REVENUE				
DIRECTORS OFFICE	570		553	17
CENTRALIZED SERVICES DIVISION	836		835	1

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - GENERAL FUND
FOR FISCAL YEAR ENDING JUNE 30, 1987 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPARTMENT OF REVENUE				
DATA PROCESSING DIVISION	$ 1,041		$ 1,032	$ 9
INVESTIGATION AND ENFORCEMENT	581		581	0
INCOME TAX	2,958		2,954	4
CORPORATION TAX	1,156		1,145	11
CORPORATION TAX		585	583	2
PROPERTY VALUATION	9,862		9,830	32
TOTAL AGENCY	**$ 17,004**	**$ 585**	**$ 17,513**	**$ 76**
DEPARTMENT OF ADMINISTRATION				
DIRECTOR'S OFFICE	266		262	4
ACCOUNTING PROGRAM	790		783	7
GENERAL SERVICES PROGRAM	488		443	45
GENERAL SERVICES PROGRAM		27	27	0
PURCHASING PROGRAM	446		443	3
MAIL & DISTRIBUTION BUREAU	3		0	3
CENTRALIZED SERVICES DIVISION	415		407	8
INVESTMENT PROGRAM	250		9	241
STATE PERSONNEL DIVISION	915		901	14
STATE PERSONNEL DIVISION		32	32	0
STATE TAX APPEAL BOARD	808		666	142
BONDS & TANS	4,335		4,335	0
BONDS & TANS		12,415	10,878	1,537
TOTAL AGENCY	**$ 8,716**	**$ 12,474**	**$ 19,186**	**$ 2,004**
DEPARTMENT OF AGRICULTURE				
CENTRALIZED SERVICES DIVISION	289		286	3
ENVIRONMENTAL MANAGEMENT DIV	631		631	0
PLANT INDUSTRY DIVISION	405		404	1
AGRICULTURAL DEVELOPMENT	392		274	118
TOTAL AGENCY	**$ 1,717**		**$ 1,595**	**$ 122**
DEPARTMENT OF INSTITUTIONS				
DIRECTOR	372		354	18
MANAGEMENT SERVICES DIVISION	876		847	29
ALCOHOL & DRUG ABUSE DIVISION	209		209	0
CORRECTIONS	3,957		3,940	17
WOMEN'S CORRECTIONAL PROGRAM	670		654	16
CORRECTION'S MEDICAL BUDGET	1,050		869	181
MENTAL HLTH/RESIDENTIAL SERV	4,200		4,184	16

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - GENERAL FUND
FOR FISCAL YEAR ENDING JUNE 30, 1987 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPARTMENT OF INSTITUTIONS				
TOTAL AGENCY	**$ 11,334**		**$ 11,057**	**$ 277**
MONTANA DEVELOPMENTAL CENTER				
SERVICE & SUPPORT	11,504		11,241	263
TOTAL AGENCY	**$ 11,504**		**$ 11,241**	**$ 263**
CENTER FOR THE AGED				
RESIDENTIAL SERVICES	2,630		2,612	18
TOTAL AGENCY	**$ 2,630**		**$ 2,612**	**$ 18**
EASTMONT TRAINING CENTER				
CARE & CUSTODY	2,178		2,094	84
TOTAL AGENCY	**$ 2,178**		**$ 2,094**	**$ 84**
MOUNTAIN VIEW SCHOOL				
CARE & CUSTODY	1,487		1,479	8
TOTAL AGENCY	**$ 1,487**		**$ 1,479**	**$ 8**
PINE HILLS SCHOOL				
CARE & CUSTODY DEPARTMENT	2,650		2,634	16
TOTAL AGENCY	**$ 2,650**		**$ 2,634**	**$ 16**
MONTANA STATE PRISON				
CARE & CUSTODY	12,393		12,201	192
PRISON INDUSTRIES TRAINING	145		119	26
TOTAL AGENCY	**$ 12,538**		**$ 12,320**	**$ 218**
SWAN RIVER YOUTH FOREST CAMP				
CARE & CUSTODY	812		778	34

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - GENERAL FUND
FOR FISCAL YEAR ENDING JUNE 30, 1987 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
SWAN RIVER YOUTH FOREST CAMP				
TOTAL AGENCY	**$ 812**		**$ 778**	**$ 34**
VETERANS HOME				
CARE & CUSTODY	446		438	8
TOTAL AGENCY	**$ 446**		**$ 438**	**$ 8**
MONTANA STATE HOSPITAL				
TREATMENT SERVICES	19,127		18,790	337
TOTAL AGENCY	**$ 19,127**		**$ 18,790**	**$ 337**
BOARD OF PARDONS				
BOARD SERVICES	160		157	3
TOTAL AGENCY	**$ 160**		**$ 157**	**$ 3**
MONTANA YOUTH TREATMENT CENTER				
TREATMENT SERVICES	1,384		1,306	78
TOTAL AGENCY	**$ 1,384**		**$ 1,306**	**$ 78**
DEPARTMENT OF COMMERCE				
BUSINESS LICENSING/REGULATION	5		5	0
WEIGHT & MEASURES BUREAU	411		398	13
TRANSPORTATION DIVISION	494		486	8
BUSINESS ASSISTANCE PROGRAM	674		613	61
MONTANA PROMOTION BUREAU	1,163		1,095	68
COMMUNITY ASSISTANCE PROGRAM	190		189	1
ECONOMIC POLICY & RESEARCH	260		255	5
LOCAL GOVERNMENT AUDIT SERVICE		85	83	2
ACCOUNTING/MANAGEMENT SERVICES	12,513		12,513	0
ACCOUNTING/MANAGEMENT SERVICES		84	82	2
INDIAN AFFAIRS COORDINATOR	101		92	9
ECONOMIC DEVELOPMENT BOARD		177	174	3
DIRECTOR/MANAGEMENT SERVICES	123		118	5
TOTAL AGENCY	**$ 15,934**	**$ 346**	**$ 16,103**	**$ 177**

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - GENERAL FUND
FOR FISCAL YEAR ENDING JUNE 30, 1987 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
LABOR AND INDUSTRY				
HUMAN RIGHTS	$ 212		$ 212	0
TOTAL AGENCY	**$ 212**		**$ 212**	**0**
LABOR & IND-EMPLOYMENT SERVS				
EMPLOYMENT RELATIONS	637		607	30
EMPLOYMENT POLICY DIVISION	5		5	0
JOB TRAINING PARTNERSHIP ACT	123		123	0
TOTAL AGENCY	**$ 765**		**$ 735**	**$ 30**
LABOR & IND-WORKERS' COMP				
INSURANCE COMPLIANCE PROGRAM	121		115	6
TOTAL AGENCY	**$ 121**		**$ 115**	**$ 6**
ADJUTANT GENERAL				
ADMINISTRATION PROGRAM	158		158	0
ARMY NATIONAL GUARD PGM	853		816	37
AIR NATIONAL GUARD PGM	104		98	6
DISASTER COORDINATION RESPONSE	254		249	5
VETERANS AFFAIRS PROGRAM	446		446	0
DISASTER FUND	961		484	477
TOTAL AGENCY	**$ 2,776**		**$ 2,251**	**$ 525**
DEPT SOCIAL & REHAB SERVICES				
ASSISTANCE PAYMENT PROGRAM	18,834		18,312	522
SOCIAL SERVICES PROGRAM	13,926		13,891	35
ELIGIBILITY DETERMINATION PGM	2,083		2,049	34
ADMINISTRATIVE & SUPPORT SVS	1,209		1,205	4
STATE ASSUMED COUNTY ADMIN.	902		896	6
MEDICAL ASSISTANCE	44,984		44,838	146
AUDIT AND PRO. COMPLIANCE DIV.	610		607	3
VOCATIONAL REHABILITATION PGM	560		480	80
VISUAL SERVICES PRGM	258		249	9
DEVELOPMENTAL DISAB PROGRAM	5,296		5,270	26
TOTAL AGENCY	**$ 88,662**		**$ 87,797**	**$ 865**

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - GENERAL FUND
FOR FISCAL YEAR ENDING JUNE 30, 1987 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
AGENCY PROGRAM TOTALS	$ 287,256	$ 121,534	$ 391,307	$ 17,483
Net Adjustments for Accruals/Rounding	1	1	(5,415)	5,417
Budget Basis Statement in GPFS	$ 287,257	$ 121,535	$ 385,892*	$ 22,900*
* Expenditures			$ 279,104	$ 8,153
Transfers Out			106,788	14,747
			$ 385,892	$ 22,900

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditure for specified purposes. A brief description of each Special Revenue Fund follows.

State - This fund accounts for money from State sources that is earmarked for the purpose of defraying particular costs of an agency, program or function. The Insurance Reimbursements Fund, reported as an Other Special Revenue Fund in FY86, is now included in this fund.

Federal - This fund accounts for money from federal sources that is used for the operation of State government.

Other Special Revenue Funds:

GSL Program - This fund accounts for resources used to administer federally-insured student loans issued by Montana lending institutions. This fund was reported as part of the Federal Fund in FY86.

Revolving - This fund accounts for resources used to defray reimbursable expenditures.

Assessments - This fund accounts for resources received from miscellaneous assessments charged to private individuals and businesses. The resources are primarily used for wheat, pork and beef research/ marketing and for mitigation resulting from environmental issues with the Colstrip Consortium.

Private Donations - This fund accounts for private donations that are used for the operation of State government.

Interest and Income - This fund accounts for the interest and income from lands granted to State institutions.

STATE OF MONTANA
Combining Balance Sheet
Special Revenue Funds
June 30, 1987
(Expressed in Thousands)

			OTHER SPECIAL REVENUE FUNDS					TOTALS - JUNE 30	
	STATE	FEDERAL	GSL PROGRAM	REVOLVING	ASSESSMENTS	PRIVATE DONATIONS	INTEREST & INCOME	1987	1986
ASSETS:									
Cash/Cash Equivalents	$ 63,946	$ 32,513	$ 32	$ 2,075	$ 310	$ 411	$ 79	$ 99,366	$ 133,125
Cash with Fiscal Agent	1,030	-	-	44	-	-	-	1,074	1,492
Receivables (Net)	18,596	1,871	157	1,154	22	15	56	21,871	22,709
Interfund Loans Receivable	12,437	1	-	-	-	-	-	12,438	36,089
Due from Other Governments	1,959	30,161	860	51	-	-	-	33,031	27,429
Due from Other Funds	29,449	872	-	166	-	10	92	30,589	38,002
Inventories	17,203	9	-	99	-	-	-	17,311	17,358
Equity in Pooled Cash/Investments	64,256	3,514	4,333	-	993	84	-	73,180	24,531
Long-Term Notes/Loans Receivable	7,158	2,598	-	-	-	-	-	9,756	10,367
Investments	50,688	-	-	-	1,000	-	-	51,688	8,329
Other Assets	1,055	605	-	3	4	-	-	1,667	2,072
TOTAL ASSETS	$ 267,777	$ 72,144	$ 5,382	$ 3,592	$ 2,329	$ 520	$ 227	$ 351,971	$ 321,503
LIABILITIES/FUND BALANCES:									
Liabilities:									
Accounts Payable	$ 20,372	$ 25,565	$ 1,008	$ 295	$ 58	$ 70	$ -	$ 47,368	$ 46,245
Interfund Loans Payable	4,100	17,098	-	1,291	-	-	-	22,489	21,560
Due to Other Governments	379	1,743	796	-	-	-	-	2,918	1,819
Due to Other Funds	25,349	3,281	9	302	9	83	97	29,130	52,538
Deferred Revenue	9,411	4,849	2,268	148	-	82	-	16,758	16,324
Property Held in Trust	1,741	72	-	-	-	40	-	1,853	823
Other Liabilities	-	-	-	-	-	-	-	-	1,909
Total Liabilities	61,352	52,608	4,081	2,036	67	275	97	120,516	141,218
Fund Balances:									
Reserved For:									
Encumbrances	10,873	4,701	-	54	13	35	-	15,676	9,030
Inventories	17,203	9	-	99	-	-	-	17,311	17,358
Debt Service	19,100	-	-	-	-	-	-	19,100	-
Long-Term Loans	4,985	2,310	-	-	-	-	-	7,295	7,541
Unreserved	154,264	12,516	1,301	1,403	2,249	210	130	172,073	146,356
Total Fund Balances	206,425	19,536	1,301	1,556	2,262	245	130	231,455	180,285
TOTAL LIABILITIES/FUND BALANCES	$ 267,777	$ 72,144	$ 5,382	$ 3,592	$ 2,329	$ 520	$ 227	$ 351,971	$ 321,503

STATE OF MONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Special Revenue Funds
For the Fiscal Year Ended June 30, 1987
(Expressed in Thousands)

	OTHER SPECIAL REVENUE FUNDS							TOTALS YEAR ENDED JUNE 30	
	STATE	FEDERAL	GSL PROGRAM	REVOLVING	ASSESSMENTS	PRIVATE DONATIONS	INTEREST & INCOME	1987	1986
REVENUES:									
Licenses/Permits	$ 52,517	$ -	$ -	$ 195	$ -	$ -	$ -	$ 52,712	$ 51,733
Taxes:									
Gas/Oil/Coal Production	25,818	-	-	-	-	-	-	25,818	22,720
Individual Income	52,320	-	-	-	-	-	-	52,320	43,054
Corporate Income	11,501	-	-	-	-	-	-	11,501	18,876
Other	217,567	1,055	-	-	1,642	-	-	220,264	223,342
Charges for Services/Fines/Forfeits	20,554	1,033	490	7,899	-	-	-	29,976	17,073
Investment Earnings	4,465	868	286	-	119	8	89	5,835	48,144
Sale of Documents/Mdse./Property	1,302	-	-	975	-	4	-	2,281	15,171
Rentals/Leases/Royalties	570	-	-	29	-	-	61	660	736
Contributions/Premiums	451	-	-	-	-	-	-	451	280
Grants/Contracts/Donations	1,149	709	-	-	44	750	2	2,654	3,942
Federal	23,481	388,148	289	1,129	-	-	-	413,047	398,935
Federal Indirect Cost Recoveries	12	1,358	-	1,376	-	-	-	2,746	2,471
Other Revenues	868	2,075	215	2	-	84	-	3,244	257
Total Revenues	412,575	395,246	1,280	11,605	1,805	846	152	823,509	846,734
Intrafund Revenues	(8,915)	(1,364)	-	(53)	-	-	-	(10,332)	(11,496)
Net Revenues	403,660	393,882	1,280	11,552	1,805	846	152	813,177	835,238
EXPENDITURES:									
Current:									
General Government	13,672	1,378	-	2,061	73	107	-	17,291	16,900
Public Safety/Corrections	18,658	6,713	-	1,755	16	3	336	27,481	24,195
Transportation	121,552	118,937	-	-	-	361	-	240,850	267,940
Health/Social Services	16,420	195,182	-	6,121	-	12	10	217,745	186,302
Education/Cultural	258,826	7,691	828	539	-	232	178	268,294	271,038
Resource Development/Recreation	24,509	12,388	-	242	41	9	-	37,189	38,509
Economic Development/Assistance	23,982	44,247	-	2,309	1,643	9	-	72,190	79,016
Debt Service:									
Principal Retirement	30	4	-	-	-	121	-	155	10,578
Interest/Fiscal Charges	170	-	-	-	-	-	-	170	698
Capital Outlay	9,105	5,691	29	105	57	64	-	15,051	17,302
Total Expenditures	486,924	392,231	857	13,132	1,830	918	524	896,416	912,478
Intrafund Expenditures	(8,915)	(1,364)	-	(53)	-	-	-	(10,332)	(11,496)
Net Expenditures	478,009	390,867	857	13,079	1,830	918	524	886,084	900,982
Excess of Revenues Over (Under) Expenditures	(74,349)	3,015	423	(1,527)	(25)	(72)	(372)	(72,907)	(65,744)
OTHER FINANCING SOURCES (USES):									
Bond Proceeds	78,378	-	-	-	-	-	-	78,378	31,453
Inception of Lease/Installment Contract	2	1	-	-	-	-	-	3	189
General Fixed Asset Sale Proceeds	4	-	-	-	-	-	-	4	1
Operating Transfers In	85,297	710	-	855	-	-	322	87,184	39,225
Operating Transfers Out	(41,357)	(2,423)	-	-	-	-	-	(43,780)	(43,753)
Total Other Financing Sources (Uses)	122,324	(1,712)	-	855	-	-	322	121,789	27,115
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses	47,975	1,303	423	(672)	(25)	(72)	(50)	48,882	(38,629)
FUND BALANCES - JULY 1 - As Previously Reported	156,333	18,300	878	2,185	2,145	288	156	180,285	238,537
Prior Period Adjustments	6,671	-	-	-	-	29	-	6,700	9,569
FUND BALANCES - July 1 - As Restated	163,004	18,300	878	2,185	2,145	317	156	186,985	248,106
Increase (Decrease) in Inventories	(2)	-	-	(45)	-	-	-	(47)	1,044
Decrease in Long-Term Loans	(13)	(25)	-	-	-	-	-	(38)	(34)
Residual Equity Transfers	(4,539)	(42)	-	88	142	-	24	(4,327)	(30,202)
FUND BALANCES - JUNE 30	$ 206,425	$ 19,536	$ 1,301	$ 1,556	$ 2,262	$ 245	$ 130	$ 231,455	$ 180,285

STATE OF MONTANA
Schedule of Revenues, Expenditures and Other Financing Sources (Uses) -
Budget and Actual with Reconciliation of Expenditures/Other Financing Uses per the
Statewide Budgeting and Accounting System (SBAS) to Budget Basis Statement in the GPFS -
Special Revenue Funds
For the Fiscal Year Ended June 30, 1987
(Expressed in Thousands)

	STATE SPECIAL REVENUE FUND			FEDERAL SPECIAL REVENUE FUND		
	BUDGET	ACTUAL	VARIANCE - OVER (UNDER)	BUDGET	ACTUAL	VARIANCE - OVER (UNDER)
REVENUES/OTHER FINANCING SOURCES:						
Licenses/Permits	$ 50,878	$ 52,517	$ 1,639	$ -	$ -	$ -
Taxes:						
Gas/Oil/Coal Production	27,758	25,818	(1,940)	-	-	-
Individual Income	48,425	52,320	3,895	-	-	-
Corporate Income	15,555	11,501	(4,054)	-	-	-
Other Taxes	133,152	137,847	4,695	1,057	1,055	(2)
Charges for Services/Fines/Forfeits	23,911	20,554	(3,357)	623	1,033	410
Investment Earnings	38,486	39,995	1,509	788	868	80
Sale of Documents/Merchandise/Property	1,087	1,302	215	-	-	-
Rentals/Leases/Royalties	483	570	87	-	-	-
Contributions/Premiums	300	451	151	-	-	-
Grants/Contracts/Donations	2,305	1,149	(1,156)	1,334	709	(625)
Federal	20,222	23,481	3,259	387,375	388,148	773
Federal Indirect Cost Recoveries	6	12	6	1,358	1,358	-
Other Revenues	361	868	507	29	2,075	2,046
Bond Proceeds	96,147	78,378	(17,769)	-	-	-
Operating Transfers In	99,270	80,614	(18,656)	1,686	1,676	(10)
Total Revenues/Other Financing Sources	558,346	527,377	(30,969)	394,250	396,922	2,672
EXPENDITURES/OTHER FINANCING USES (pp. 73/81/87):						
Appropriated Expenditures	506,668	428,261	78,407	415,823	390,030	25,793
Appropriated Transfers Out	84,057	72,553	11,504	3,583	3,392	191
Total Expenditures/Other Financing Uses (SBAS)	590,725	500,814	89,911	419,406	393,422	25,984
Net Adjustments for Rounding/Accruals	(2)	(1,736)	(1,734)	(1)	1,631	1,632
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses - Budget Basis	(32,381)	24,827	57,208	(25,157)	5,131	30,288
RECONCILIATION OF BUDGETARY/GAAP REPORTING:						
1. Adjust expenditures for encumbrances.	-	7,904	7,904	-	(818)	(818)
2. Adjustments for appropriated loans & other nonbudgeted activity.	-	15,244	15,244	-	(3,010)	(3,010)
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses - GAAP Basis	(32,381)	47,975	80,356	(25,157)	1,303	26,460
Unreserved Fund Balances - July 1	128,958	128,958	-	11,999	11,999	-
Residual Equity Transfers	(4,539)	(4,539)	-	(42)	(42)	-
Increase Encumbrances Reserve	-	(5,909)	(5,909)	-	(744)	(744)
Increase Debt Service Reserve	-	(19,100)	(19,100)	-	-	-
Decrease Long-Term Loans & Reserve	-	208	208	-	-	-
Prior Period Adjustments	-	6,671	6,671	-	-	-
Unreserved Fund Balances - June 30	$ 92,038	$ 154,264	$ 62,226	$ (13,200)	$ 12,516	$ 25,716

OTHER SPECIAL REVENUE FUNDS			TOTALS YEAR ENDED JUNE 30		
BUDGET	ACTUAL	VARIANCE - OVER (UNDER)	BUDGET	ACTUAL	VARIANCE - OVER (UNDER)
$ 240	$ 195	$ (45)	$ 51,118	$ 52,712	$ 1,594
-	-	-	27,758	25,818	(1,940)
-	-	-	48,425	52,320	3,895
-	-	-	15,555	11,501	(4,054)
1,100	1,642	542	135,309	140,544	5,235
8,425	8,389	(36)	32,959	29,976	(2,983)
680	824	144	39,954	41,687	1,733
977	979	2	2,064	2,281	217
143	90	(53)	626	660	34
-	-	-	300	451	151
3,268	1,925	(1,343)	6,907	3,783	(3,124)
855	1,665	810	408,452	413,294	4,842
7	2	(5)	1,371	1,372	1
1	299	298	391	3,242	2,851
-	-	-	96,147	78,378	(17,769)
1,032	855	(177)	101,988	83,145	(18,843)
16,728	16,865	137	969,324	941,164	(28,160)
21,572	16,931	4,641	944,063	835,222	108,841
13	-	13	87,653	75,945	11,708
21,585	16,931	4,654	1,031,716	911,167	120,549
1	(43)	(44)	(2)	(148)	(146)
(4,856)	(109)	4,747	(62,394)	29,849	92,243
-	(1)	(1)	-	7,085	7,085
-	(286)	(286)	-	11,948	11,948
(4,856)	(396)	4,460	(62,394)	48,882	111,276
5,399	5,399	-	146,356	146,356	-
254	254	-	(4,327)	(4,327)	-
-	7	7	-	(6,646)	(6,646)
-	-	-	-	(19,100)	(19,100)
-	-	-	-	208	208
-	29	29	-	6,700	6,700
$ 797	$ 21,171	$ 20,374	$ 914,635	$ 1,108,328	$ 193,693

STATE OF MONTANA
Schedule of Revenues, Expenditures and Other Financing Sources (Uses) -
Budget and Actual - Other Special Revenue Funds
For the Fiscal Year Ended June 30, 1987
(Expressed in Thousands)

	GSL PROGRAM			REVOLVING		
	BUDGET	ACTUAL	VARIANCE - OVER (UNDER)	BUDGET	ACTUAL	VARIANCE - OVER (UNDER)
REVENUES/OTHER FINANCING SOURCES:						
Licenses/Permits	$ -	$ -	$ -	$ 240	$ 195	$ (45)
Taxes:						
Gas/Oil/Coal Production	-	-	-	-	-	-
Individual Income	-	-	-	-	-	-
Corporate Income	-	-	-	-	-	-
Other Taxes	-	-	-	-	-	-
Charges for Services/Fines/Forfeits	939	490	(449)	7,486	7,899	413
Investment Earnings	250	286	36	-	-	-
Sale of Documents/Merchandise/Property	-	-	-	972	975	3
Rentals/Leases/Royalties	-	-	-	25	29	4
Contributions/Premiums	-	-	-	-	-	-
Grants/Contracts/Donations	-	-	-	2,086	1,129	(957)
Federal	100	289	189	755	1,376	621
Federal Indirect Cost Recoveries	-	-	-	7	2	(5)
Other Revenues	-	215	215	-	-	-
Bond Proceeds	-	-	-	-	-	-
Operating Transfers In	-	-	-	1,032	855	(177)
Total Revenues/Other Financing Sources	1,289	1,280	(9)	12,603	12,460	(143)
EXPENDITURES/OTHER FINANCING USES:						
Appropriated Expenditures	1,197	865	332	14,538	12,761	1,777
Appropriated Transfers Out	-	-	-	13	-	13
Total Expenditures/Other Financing Uses (SBAS)	1,197	865	332	14,551	12,761	1,790
Net Adjustments for Rounding/Accruals	-	-	-	2	(329)	(331)
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses - Budget Basis	92	415	323	(1,946)	(630)	1,316
RECONCILIATION OF BUDGETARY/GAAP REPORTING:						
1. Adjust expenditures for encumbrances.	-	-	-	-	(34)	(34)
2. Adjustments for appropriated loans & other nonbudgeted activity.	-	8	8	-	(8)	(8)
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses - GAAP Basis	92	423	331	(1,946)	(672)	1,274
Unreserved Fund Balances - July 1	878	878	-	1,945	1,945	-
Residual Equity Transfers	-	-	-	88	88	-
Increase Encumbrances Reserve	-	-	-	-	42	42
Increase Debt Service Reserve	-	-	-	-	-	-
Decrease Long-Term Loans & Reserve	-	-	-	-	-	-
Prior Period Adjustments	-	-	-	-	-	-
Unreserved Fund Balances - June 30	$ 970	$ 1,301	$ 331	$ 87	$ 1,403	$ 1,316

ASSESSMENTS			PRIVATE DONATIONS			INTEREST & INCOME			TOTAL OTHER SPECIAL REVENUE FUNDS YEAR ENDED JUNE 30		
BUDGET	ACTUAL	VARIANCE - OVER (UNDER)	BUDGET	ACTUAL	VARIANCE - OVER (UNDER)	BUDGET	ACTUAL	VARIANCE - OVER (UNDER)	BUDGET	ACTUAL	VARIANCE - OVER (UNDER)
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 240	$ 195	$ (45)
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
1,100	1,642	542	-	-	-	-	-	-	1,100	1,642	542
-	-	-	-	-	-	-	-	-	8,425	8,389	(36)
22	119	97	16	8	(8)	392	411	19	680	824	144
-	-	-	5	4	(1)	-	-	-	977	979	2
-	-	-	-	-	-	118	61	(57)	143	90	(53)
-	-	-	-	-	-	-	-	-	-	-	-
60	44	(16)	1,119	750	(369)	3	2	(1)	3,268	1,925	(1,343)
-	-	-	-	-	-	-	-	-	855	1,665	810
-	-	-	-	-	-	-	-	-	7	2	(5)
-	-	-	1	84	83	-	-	-	1	299	298
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	1,032	855	(177)
1,182	1,805	623	1,141	846	(295)	513	474	(39)	16,728	16,865	137
3,538	1,843	1,695	1,722	939	783	577	523	54	21,572	16,931	4,641
-	-	-	-	-	-	-	-	-	13	-	13
3,538	1,843	1,695	1,722	939	783	577	523	54	21,585	16,931	4,654
(1)	287	288	-	-	-	-	(1)	(1)	1	(43)	(44)
(2,357)	249	2,606	(581)	(93)	488	(64)	(50)	14	(4,856)	(109)	4,747
-	12	12	-	21	21	-	-	-	-	(1)	(1)
-	(286)	(286)	-	-	-	-	-	-	-	(286)	(286)
(2,357)	(25)	2,332	(581)	(72)	509	(64)	(50)	14	(4,856)	(396)	4,460
2,145	2,145	-	275	275	-	156	156	-	5,399	5,399	-
142	142	-	-	-	-	24	24	-	254	254	-
-	(13)	(13)	-	(22)	(22)	-	-	-	-	7	7
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	29	29	-	-	-	-	29	29
$ (70)	$ 2,249	$ 2,319	$ (306)	$ 210	$ 516	$ 112	$ 130	$ 18	$ 797	$ 5,293	$ 4,496

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - STATE SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1987 (EXPRESSED IN THOUSANDS)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
LEGISLATIVE COUNCIL				
INTERIM STUDIES & CONFERENCES	$ 8		$ 8	0
TOTAL AGENCY	**$ 8**		**$ 8**	**0**
ENVIRONMENTAL QUALITY COUNCIL				
ENVIRONMENTAL QUALITY PROGRAM	15		13	2
TOTAL AGENCY	**$ 15**		**$ 13**	**$ 2**
CONSUMER COUNSEL				
ADMINISTRATION PROGRAM	853		523	330
TOTAL AGENCY	**$ 853**		**$ 523**	**$ 330**
JUDICIARY				
LAW LIBRARY	20		13	7
WATER COURTS SUPERVISION	551		421	130
TOTAL AGENCY	**$ 571**		**$ 434**	**$ 137**
GOVERNORS OFFICE				
EXECUTIVE OFFICE PROGRAM	152		113	39
STATEHOOD CENTENNIAL OFFICE	189		59	130
TOTAL AGENCY	**$ 341**		**$ 172**	**$ 169**
SECRETARY OF STATES OFFICE				
RECORDS MANAGEMENT PROGRAM	297		295	2
TOTAL AGENCY	**$ 297**		**$ 295**	**$ 2**
STATE AUDITORS OFFICE				
INSURANCE	706		683	23
INSURANCE		418	418	0
SECURITIES	251		250	1
SECURITIES		1,887	1,887	0
LOCAL ASSISTANCE DISTRIBUTIONS	5,426		5,426	0

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - STATE SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1987 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
STATE AUDITORS OFFICE				
PENSION ADJ RETIRED FIREMEN	984		954	30
TOTAL AGENCY	**$ 7,367**	**$ 2,305**	**$ 9,618**	**$ 54**
OFFICE OF PUBLIC INSTRUCTION				
BASIC SKILLS	88		87	1
BASIC SKILLS		13	13	0
DISTRIBUTION TO PUBLIC SCHOOLS	174,456		174,039	417
DISTRIBUTION TO PUBLIC SCHOOLS		1,944	1,913	31
TOTAL AGENCY	**$ 174,544**	**$ 1,957**	**$ 176,052**	**$ 449**
HIGHWAY TRAFFIC SAFETY				
HIGHWAY TRAFFIC SAFETY DIV	68		64	4
TOTAL AGENCY	**$ 68**		**$ 64**	**$ 4**
DEPARTMENT OF JUSTICE				
LEGAL SERVICES DIVISION	14		14	0
DRIVER SERVICES BUREAU	277		277	0
HIGHWAY PATROL DIVISION	9,081		9,061	20
REGISTRAR'S BUREAU	1,818		1,803	15
COMMUNICATIONS BUREAU	185		173	12
LAW ENFORCEMENT ACADEMY DIV	566		561	5
CENTRAL SERVICES DIVISION	13		6	7
DATA PROCESSING DIVISION	325		325	0
FORENSIC SCIENCE DIVISION	703		691	12
TOTAL AGENCY	**$ 12,982**		**$ 12,911**	**$ 71**
PUBLIC SERVICE REGULATION				
PUBLIC SERVICE REGULATION PROG	1,629		1,571	58
TOTAL AGENCY	**$ 1,629**		**$ 1,571**	**$ 58**
COMMISSIONER OF HIGHER ED				
STUDENT ASSISTANCE PROGRAM	3,622		3,621	1
APPROPRIATION DISTRIBUTION		18,049	18,049	0

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - STATE SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1987 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
COMMISSIONER OF HIGHER ED				
TOTAL AGENCY	**$ 3,622**	**$ 18,049**	**$ 21,670**	**$ 1**
MONTANA ARTS COUNCIL				
GRANTS	708		656	52
SPECIAL PROJECTS	87		55	32
TOTAL AGENCY	**$ 795**		**$ 711**	**$ 84**
LIBRARY COMMISSION				
REFERENCE/INFORMATION SERVICES	22		22	0
LIBRARY DEVELOPMENT	353		274	79
TECHNICAL SERVICES	41		41	0
NATURAL RESOURCES/HERITAGE	371		224	147
TOTAL AGENCY	**$ 787**		**$ 561**	**$ 226**
HISTORICAL SOCIETY				
ARCHIVES PROGRAM	58		57	1
TOTAL AGENCY	**$ 58**		**$ 57**	**$ 1**
DEPT OF FISH, WILDLIFE & PARKS				
CENTRALIZED SERVICES DIVISION	1,602		1,490	112
FIELD SERVICES DIVISION	1,017		970	47
FISHERIES DIVISION	2,753		2,701	52
FISHERIES DIVISION		20	10	10
LAW ENFORCEMENT DIVISION	3,739		3,608	131
WILDLIFE DIVISION	2,659		2,461	198
RECREATION & PARKS DIVISION	3,047		2,941	106
CAPITAL OUTLAY	2,676		1,033	1,643
CAPITAL OUTLAY		1,078	1,078	0
CONSERVATION EDUCATION DIV	1,063		997	66
ADMINISTRATION	654		604	50
TOTAL AGENCY	**$ 19,210**	**$ 1,098**	**$ 17,893**	**$ 2,415**
DEPT HEALTH & ENVIRON SCIENCES				
DIRECTOR'S PROGRAM	5		0	5
FINANCIAL MANAGEMENT DIVISION	72		69	3

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - STATE SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1987 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPT HEALTH & ENVIRON SCIENCES				
ENVIRONMENTAL SCIENCES DIV	$ 3,344		$ 1,418	$ 1,926
ENVIRONMENTAL SCIENCES DIV		500	500	0
MANAGEMENT SERVICES DIV.	423		357	66
TOTAL AGENCY	**$ 3,844**	**$ 500**	**$ 2,344**	**$ 2,000**
DEPARTMENT OF HIGHWAYS				
GENERAL OPERATIONS PROGRAM	22,437		21,958	479
CONSTRUCTION PROGRAM	76,766		61,453	15,313
MAINTENANCE PROGRAM	39,331		38,241	1,090
PRECONSTRUCTION PROGRAM	6,751		6,112	639
EQUIPMENT PROGRAM		2,248	2,248	0
CAPITAL OUTLAY PROGRAM		46,164	40,824	5,340
STORES INVENTORY	12,148		10,464	1,684
TOTAL AGENCY	**$ 157,433**	**$ 48,412**	**$ 181,300**	**$ 24,545**
DEPARTMENT OF STATE LANDS				
CENTRAL MANAGEMENT PROGRAM	380		277	103
RECLAMATION PROGRAM	963		234	729
LAND ADMINISTRATION PGM	7		7	0
RESOURCE DEVELOPMENT PGM	593		241	352
FORESTRY	1,617		1,087	530
TOTAL AGENCY	**$ 3,560**		**$ 1,846**	**$ 1,714**
DEPARTMENT OF LIVESTOCK				
CENTRALIZED SERVICES PROGRAM	340		340	0
DIAGNOSTIC LABORATORY PROGRAM	334		334	0
DISEASE CONTROL PROGRAM	560		470	90
INSPECTION & CONTROL PROGRAM	1,915		1,776	139
PREDATORY ANIMAL CONTROL PGM	252		196	56
RABIES CONTROL	172		172	0
TOTAL AGENCY	**$ 3,573**		**$ 3,288**	**$ 285**
DEPT NAT RESOURCE/CONSERVATION				
CENTRALIZED SERVICES	282		264	18
OIL & GAS REGULATION	912		722	190
CONSERVATION DISTRICTS	742		400	342
WATER RESOURCES & PLANNING	27,799		11,246	16,553

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - STATE SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1987 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPT NAT RESOURCE/CONSERVATION				
WATER RESOURCES & PLANNING		$ 6,295	$ 272	$ 6,023
ENERGY PLANNING	1,771		873	898
TOTAL AGENCY	**$ 31,506**	**$ 6,295**	**$ 13,777**	**$ 24,024**
DEPARTMENT OF REVENUE				
DIRECTORS OFFICE	85		85	0
CENTRALIZED SERVICES DIVISION	2,615		2,437	178
CENTRALIZED SERVICES DIVISION		4,880	4,839	41
INVESTIGATION AND ENFORCEMENT	3,321		3,319	2
INCOME TAX	190		184	6
CORPORATION TAX	5,641		4,451	1,190
MOTOR FUEL TAX	655		653	2
TOTAL AGENCY	**$ 12,507**	**$ 4,880**	**$ 15,968**	**$ 1,419**
DEPARTMENT OF ADMINISTRATION				
INFORMATION SERVICES DIVISION	504		0	504
INFORMATION SERVICES DIVISION		43	20	23
TORT CLAIMS DIVISION	0	—	0	0
PASSENGER TRAMWAY SAFETY	18		11	7
WORKERS COMPENSATION JUDGE	319		295	24
BONDS & TANS	1,653		61	1,592
BONDS & TANS		325	324	1
TOTAL AGENCY	**$ 2,494**	**$ 368**	**$ 711**	**$ 2,151**
LONG RANGE BUILDING PLAN				
DEPARTMENTS & AGENCIES	10,487		2,965	7,522
INSTITUTIONS	415		415	0
TOTAL AGENCY	**$ 10,902**		**$ 3,380**	**$ 7,522**
DEPARTMENT OF AGRICULTURE				
CENTRALIZED SERVICES DIVISION	525		512	13
ENVIRONMENTAL MANAGEMENT DIV	166		162	4
PLANT INDUSTRY DIVISION	463		434	29
TOTAL AGENCY	**$ 1,154**		**$ 1,108**	**$ 46**

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - STATE SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1987 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPARTMENT OF INSTITUTIONS				
MANAGEMENT SERVICES DIVISION	$ 1		$ 1	0
ALCOHOL & DRUG ABUSE DIVISION	2,169		1,868	301
TOTAL AGENCY	**$ 2,170**		**$ 1,869**	**$ 301**
PINE HILLS SCHOOL				
CARE & CUSTODY DEPARTMENT	28		28	0
TOTAL AGENCY	**$ 28**		**$ 28**	**0**
MONTANA STATE PRISON				
CARE & CUSTODY	52		51	1
LICENSE PLATE FACTORY	368		349	19
TOTAL AGENCY	**$ 420**		**$ 400**	**$ 20**
SWAN RIVER YOUTH FOREST CAMP				
CARE & CUSTODY	27		27	0
TOTAL AGENCY	**$ 27**		**$ 27**	**0**
MONTANA STATE HOSPITAL				
TREATMENT SERVICES	1,587		1,587	0
TOTAL AGENCY	**$ 1,587**		**$ 1,587**	**0**
DEPARTMENT OF COMMERCE				
BUSINESS LICENSING/REGULATION	70		60	10
FINANCIAL DIVISION	740		740	0
MILK CONTROL BUREAU	259		239	20
POL BUREAU	1,993		1,550	443
DIVISION OF AERONAUTICS	546		538	8
DIVISION OF AERONAUTICS		3	3	0
TRANSPORTATION DIVISION	70		70	0
BUSINESS ASSISTANCE PROGRAM	50		35	15
COMMUNITY ASSISTANCE PROGRAM	14,658		2,629	12,029
ACCOUNTING/MANAGEMENT SERVICES	15,225		6,353	8,872
BUILDING CODES DIVISION	122		104	18
MT SCIENCE & TECH ALLIANCE	1,657		1,516	141

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - STATE SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1987 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPARTMENT OF COMMERCE				
LOTTERY DIVISION	$ 223		$ 141	$ 82
LEGAL SERVICES	10		0	10
TOTAL AGENCY	**$ 35,623**	**$ 3**	**$ 13,978**	**$ 21,648**
LABOR & IND-EMPLOYMENT SERVS				
EMPLOYMENT RELATIONS	3		3	0
PROJECT WORK	1,090		1,090	0
TOTAL AGENCY	**$ 1,093**		**$ 1,093**	**0**
LABOR & IND-WORKERS' COMP				
ADMINISTRATION PROGRAM	1,395		1,387	8
STATE INSURANCE FUND	3,474		3,416	58
INSURANCE COMPLIANCE PROGRAM	1,914		1,860	54
INSURANCE COMPLIANCE PROGRAM		190	155	35
SAFETY AND HEALTH PROGRAM	819		748	71
TOTAL AGENCY	**$ 7,602**	**$ 190**	**$ 7,566**	**$ 226**
DEPT SOCIAL & REHAB SERVICES				
SOCIAL SERVICES PROGRAM	60		53	7
MEDICAL ASSISTANCE	7,174		7,174	0
VOCATIONAL REHABILITATION PGM	764		764	0
TOTAL AGENCY	**$ 7,998**		**$ 7,991**	**$ 7**
AGENCY PROGRAM TOTALS	$ 506,668	$ 84,057	$ 500,814	$ 89,911

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - FEDERAL SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1987 (EXPRESSED IN THOUSANDS)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
GOVERNORS OFFICE				
EXECUTIVE OFFICE PROGRAM	$ 351		$ 110	$ 241
NORTHWEST REGIONAL POWER ACT	459		374	85
MENTAL DIS BD VISITORS	75		9	66
TOTAL AGENCY	**$ 885**		**$ 493**	**$ 392**
STATE AUDITORS OFFICE				
FOREST RES & FPGA TO COUNTIES	6,868		6,868	0
TOTAL AGENCY	**$ 6,868**		**$ 6,868**	**0**
OFFICE OF PUBLIC INSTRUCTION				
BASIC SKILLS	147		137	10
BASIC SKILLS		7	3	4
VOCATIONAL EDUCATION	296		266	30
VOCATIONAL EDUCATION		65	54	11
ADMINISTRATIVE SERVICES	588		520	68
ADMINISTRATIVE SERVICES		125	85	40
SPECIAL SERVICES	1,037		943	94
SPECIAL SERVICES		220	160	60
DISTRIBUTION TO PUBLIC SCHOOLS	5,319		3,914	1,405
DISTRIBUTION TO PUBLIC SCHOOLS		736	660	76
TOTAL AGENCY	**$ 7,387**	**$ 1,153**	**$ 6,742**	**$ 1,798**
CRIME CONTROL DIVISION				
BOARD OF CRIME CONTROL	916		649	267
BOARD OF CRIME CONTROL ACTION	93		59	34
TOTAL AGENCY	**$ 1,009**		**$ 708**	**$ 301**
HIGHWAY TRAFFIC SAFETY				
HIGHWAY TRAFFIC SAFETY DIV	1,490		1,267	223
TOTAL AGENCY	**$ 1,490**		**$ 1,267**	**$ 223**
DEPARTMENT OF JUSTICE				
LEGAL SERVICES DIVISION	2		2	0
DRIVER SERVICES BUREAU	79		47	32

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - FEDERAL SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1987 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPARTMENT OF JUSTICE				
HIGHWAY PATROL DIVISION	$ 577		$ 449	$ 128
REGISTRAR'S BUREAU	17		3	14
LAW ENFORCEMENT ACADEMY DIV	2		0	2
FIRE MARSHAL BUREAU	5		3	2
IDENTIFICATION BUREAU	12		10	2
CRIMINAL INVESTIGATION BUREAU	85		65	20
SPECIAL INVESTIGATION SECTION	326		260	66
CENTRAL SERVICES DIVISION	2		0	2
TOTAL AGENCY	**$ 1,107**		**$ 839**	**$ 268**
PUBLIC SERVICE REGULATION				
PUBLIC SERVICE REGULATION PROG	51		34	17
TOTAL AGENCY	**$ 51**		**$ 34**	**$ 17**
COMMISSIONER OF HIGHER ED				
STUDENT ASSISTANCE PROGRAM	260		234	26
ED. FOR ECON. SECURITY GRANT	80		55	25
TALENT SEARCH	165		151	14
FED INDIRECT COST RECOVERIES	11		11	0
TOTAL AGENCY	**$ 516**		**$ 451**	**$ 65**
SCHOOL FOR THE DEAF & BLIND				
STUDENT SERVICES	44		44	0
EDUCATION	195		170	25
TOTAL AGENCY	**$ 239**		**$ 214**	**$ 25**
MONTANA ARTS COUNCIL				
PROMOTION OF THE ARTS	71		71	0
GRANTS	153		153	0
SPECIAL PROJECTS	154		154	0
TOTAL AGENCY	**$ 378**		**$ 378**	**0**
LIBRARY COMMISSION				
REFERENCE/INFORMATION SERVICES	79		79	0

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - FEDERAL SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1987 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
LIBRARY COMMISSION				
LIBRARY DEVELOPMENT	$ 491		$ 228	$ 263
INSTITUTIONAL LIBRARY SERVICES	34		34	0
PHYSICALLY HANDICAPPED SERVICE	126		126	0
ADMINISTRATION	36		36	0
TECHNICAL SERVICES	27		27	0
NATURAL RESOURCES/HERITAGE	2		0	2
TOTAL AGENCY	**$ 795**		**$ 530**	**$ 265**
MONTANA COUNCIL ON VOCATIONAL				
ADMINISTRATION PROGRAM	141		120	21
TOTAL AGENCY	**$ 141**		**$ 120**	**$ 21**
HISTORICAL SOCIETY				
ADMINISTRATION PROGRAM	27		27	0
LIBRARY PROGRAM	7		6	1
MUSEUM PROGRAM	25		20	5
HISTORICAL SITES PRESERVATION	950		431	519
ARCHIVES PROGRAM	5		0	5
EDUCATION PROGRAM	2		2	0
TOTAL AGENCY	**$ 1,016**		**$ 486**	**$ 530**
FIRE SERVICES TRAINING SCHOOL				
FIRE SERVICES TRAINING SCHOOL	2		1	1
TOTAL AGENCY	**$ 2**		**$ 1**	**$ 1**
DEPT OF FISH, WILDLIFE & PARKS				
CENTRALIZED SERVICES DIVISION	274		167	107
FIELD SERVICES DIVISION	396		392	4
FISHERIES DIVISION	2,418		2,198	220
LAW ENFORCEMENT DIVISION	167		156	11
WILDLIFE DIVISION	3,161		2,701	460
RECREATION & PARKS DIVISION	500		134	366
CAPITAL OUTLAY	1,433		313	1,120
CAPITAL OUTLAY		764	764	0
CONSERVATION EDUCATION DIV	143		124	19
ADMINISTRATION	198		187	11

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - FEDERAL SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1987 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPT OF FISH, WILDLIFE & PARKS				
TOTAL AGENCY	**$ 8,690**	**$ 764**	**$ 7,136**	**$ 2,318**
DEPT HEALTH & ENVIRON SCIENCES				
DIRECTOR'S PROGRAM	783		706	77
FINANCIAL MANAGEMENT DIVISION	578		568	10
ENVIRONMENTAL SCIENCES DIV	4,931		3,175	1,756
MANAGEMENT SERVICES DIV.	54		53	1
HEALTH SERV/MEDICAL FAC DIV	12,599		12,447	152
TOTAL AGENCY	**$ 18,945**		**$ 16,949**	**$ 1,996**
DEPARTMENT OF HIGHWAYS				
GENERAL OPERATIONS PROGRAM	2,059		1,886	173
CONSTRUCTION PROGRAM	110,455		109,321	1,134
MAINTENANCE PROGRAM	404		18	386
PRECONSTRUCTION PROGRAM	6,559		6,170	389
TOTAL AGENCY	**$ 119,477**		**$ 117,395**	**$ 2,082**
DEPARTMENT OF STATE LANDS				
CENTRAL MANAGEMENT PROGRAM	188		187	1
RECLAMATION PROGRAM	8,034		7,426	608
FORESTRY	1,647		1,606	41
TOTAL AGENCY	**$ 9,869**		**$ 9,219**	**$ 650**
DEPARTMENT OF LIVESTOCK				
MILK & EGG PROGRAM	18		18	0
TOTAL AGENCY	**$ 18**		**$ 18**	**0**
DEPT NAT RESOURCE/CONSERVATION				
CONSERVATION DISTRICTS	3		3	0
WATER RESOURCES & PLANNING	4,184		46	4,138
ENERGY PLANNING	1,663		1,146	517
TOTAL AGENCY	**$ 5,850**		**$ 1,195**	**$ 4,655**

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - FEDERAL SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1987 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPARTMENT OF REVENUE				
CENTRALIZED SERVICES DIVISION	$ 8		$ 6	$ 2
INVESTIGATION AND ENFORCEMENT	1,411		1,205	206
CORPORATION TAX	141		96	45
TOTAL AGENCY	**$ 1,560**		**$ 1,307**	**$ 253**
DEPARTMENT OF ADMINISTRATION				
OIL OVERCHARGE FUNDS		1,666	1,666	0
TOTAL AGENCY		**$ 1,666**	**$ 1,666**	**0**
LONG RANGE BUILDING PLAN				
DEPARTMENTS & AGENCIES	2,807		285	2,522
TOTAL AGENCY	**$ 2,807**		**$ 285**	**$ 2,522**
DEPARTMENT OF AGRICULTURE				
CENTRALIZED SERVICES DIVISION	15		13	2
ENVIRONMENTAL MANAGEMENT DIV	208		164	44
PLANT INDUSTRY DIVISION	24		17	7
AGRICULTURAL DEVELOPMENT	18		18	0
TOTAL AGENCY	**$ 265**		**$ 212**	**$ 53**
DEPARTMENT OF INSTITUTIONS				
MANAGEMENT SERVICES DIVISION	3		3	0
ALCOHOL & DRUG ABUSE DIVISION	1,182		1,002	180
MENTAL HLTH/RESIDENTIAL SERV	1,235		1,235	0
TOTAL AGENCY	**$ 2,420**		**$ 2,240**	**$ 180**
MONTANA DEVELOPMENTAL CENTER				
SERVICE & SUPPORT	49		32	17
TOTAL AGENCY	**$ 49**		**$ 32**	**$ 17**

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - FEDERAL SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1987 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
MOUNTAIN VIEW SCHOOL				
CARE & CUSTODY	$ 157		$ 144	$ 13
TOTAL AGENCY	**$ 157**		**$ 144**	**$ 13**
PINE HILLS SCHOOL				
CARE & CUSTODY DEPARTMENT	261		245	16
TOTAL AGENCY	**$ 261**		**$ 245**	**$ 16**
MONTANA STATE PRISON				
CARE & CUSTODY	102		34	68
PRISON INDUSTRIES TRAINING	25		8	17
TOTAL AGENCY	**$ 127**		**$ 42**	**$ 85**
SWAN RIVER YOUTH FOREST CAMP				
CARE & CUSTODY	59		52	7
TOTAL AGENCY	**$ 59**		**$ 52**	**$ 7**
VETERANS HOME				
CARE & CUSTODY	551		551	0
TOTAL AGENCY	**$ 551**		**$ 551**	**0**
MONTANA STATE HOSPITAL				
TREATMENT SERVICES	10		2	8
TOTAL AGENCY	**$ 10**		**$ 2**	**$ 8**
MONTANA YOUTH TREATMENT CENTER				
TREATMENT SERVICES	64		28	36
TOTAL AGENCY	**$ 64**		**$ 28**	**$ 36**

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - FEDERAL SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1987 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPARTMENT OF COMMERCE				
DIVISION OF AERONAUTICS	$ 177		$ 177	0
TRANSPORTATION DIVISION	2,457		942	1,515
BUSINESS ASSISTANCE PROGRAM	250		142	108
HOUSING ASSISTANCE PROGRAM	8,699		8,588	111
COMMUNITY ASSISTANCE PROGRAM	6,091		5,434	657
ECONOMIC POLICY & RESEARCH	41		41	0
TOTAL AGENCY	**$ 17,715**		**$ 15,324**	**$ 2,391**
LABOR AND INDUSTRY				
APPEALS DIVISION	38		38	0
HUMAN RIGHTS	221		92	129
TOTAL AGENCY	**$ 259**		**$ 130**	**$ 129**
LABOR & IND-EMPLOYMENT SERVS				
JOB SERVICE DIVISION	10,109		9,580	529
UNEMPLOYMENT INSURANCE	2,696		2,541	155
CENTRALIZED SERVICE ADMIN	975		839	136
EMPLOYMENT RELATIONS	225		223	2
EMPLOYMENT POLICY DIVISION	1,729		1,447	282
JOB TRAINING PARTNERSHIP ACT	9,092		8,509	583
TOTAL AGENCY	**$ 24,826**		**$ 23,139**	**$ 1,687**
LABOR & IND-WORKERS' COMP				
ADMINISTRATION PROGRAM	35		32	3
INSURANCE COMPLIANCE PROGRAM	150		0	150
SAFETY AND HEALTH PROGRAM	113		98	15
TOTAL AGENCY	**$ 298**		**$ 130**	**$ 168**
ADJUTANT GENERAL				
ADMINISTRATION PROGRAM	7		7	0
ARMY NATIONAL GUARD PGM	850		843	7
AIR NATIONAL GUARD PGM	982		908	74
DISASTER COORDINATION RESPONSE	258		219	39
EMERGENCY MGMT DEVELOPMENT	274		263	11
LOCAL REIMBURSEMENT-DES	2,500		1,456	1,044
VETERAN'S CEMETERY	50		22	28

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - FEDERAL SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1987 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
ADJUTANT GENERAL				
TOTAL AGENCY	**$ 4,921**		**$ 3,718**	**$ 1,203**
DEPT SOCIAL & REHAB SERVICES				
ASSISTANCE PAYMENT PROGRAM	43,620		43,106	514
SOCIAL SERVICES PROGRAM	8,370		8,299	71
ELIGIBILITY DETERMINATION PGM	3,964		3,866	98
ADMINISTRATIVE & SUPPORT SVS	1,396		1,392	4
STATE ASSUMED COUNTY ADMIN.	381		381	0
MEDICAL ASSISTANCE	94,271		94,247	24
AUDIT AND PRO. COMPLIANCE DIV.	743		713	30
VOCATIONAL REHABILITATION PGM	4,940		4,664	276
DISABILITY DETERMINATION PGM	2,782		2,295	487
VISUAL SERVICES PRGM	732		729	3
DEVELOPMENTAL DISAB PROGRAM	13,142		13,072	70
DEVELOPE DISAB ADVIS COUNCIL	400		368	32
TOTAL AGENCY	**$ 174,741**		**$ 173,132**	**$ 1,609**
AGENCY PROGRAM TOTALS	$ 415,823	$ 3,583	$ 393,422	$ 25,984

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - OTHER SPECIAL REVENUE FUNDS
FOR FISCAL YEAR ENDING JUNE 30, 1987 (EXPRESSED IN THOUSANDS)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
LEGISLATIVE AUDITOR				
AUDIT & EXAMINATION PROGRAM	$ 939		$ 918	$ 21
TOTAL AGENCY	**$ 939**		**$ 918**	**$ 21**
LEGISLATIVE COUNCIL				
MONTANA CODE ANNOTATED	656		140	516
TOTAL AGENCY	**$ 656**		**$ 140**	**$ 516**
JUDICIARY				
LAW LIBRARY	102		83	19
TOTAL AGENCY	**$ 102**		**$ 83**	**$ 19**
GOVERNORS OFFICE				
EXECUTIVE OFFICE PROGRAM	101		69	32
TOTAL AGENCY	**$ 101**		**$ 69**	**$ 32**
SECRETARY OF STATES OFFICE				
ADMINISTRATIVE CODE PROGRAM	165		165	0
TOTAL AGENCY	**$ 165**		**$ 165**	**0**
COMMISSIONER OF POLITICAL PRAC				
ADMINISTRATION	1		1	0
TOTAL AGENCY	**$ 1**		**$ 1**	**0**
STATE AUDITORS OFFICE				
AUDIT DIVISION	323		323	0
TOTAL AGENCY	**$ 323**		**$ 323**	**0**

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - OTHER SPECIAL REVENUE FUNDS
FOR FISCAL YEAR ENDING JUNE 30, 1987 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
OFFICE OF PUBLIC INSTRUCTION				
CHIEF STATE SCHOOL OFFICER	$ 19		$ 9	$ 10
BASIC SKILLS	190		154	36
BASIC SKILLS		13	0	13
ADMINISTRATIVE SERVICES	480		361	119
TOTAL AGENCY	**$ 689**	**$ 13**	**$ 524**	**$ 178**
DEPARTMENT OF JUSTICE				
DRIVER SERVICES BUREAU	76		75	1
REGISTRAR'S BUREAU	53		28	25
DATA PROCESSING DIVISION	188		188	0
TOTAL AGENCY	**$ 317**		**$ 291**	**$ 26**
COMMISSIONER OF HIGHER ED				
GUARANTEED STUDENT LOAN PGM	1,197		865	332
TOTAL AGENCY	**$ 1,197**		**$ 865**	**$ 332**
SCHOOL FOR THE DEAF & BLIND				
EDUCATION	236		179	57
TOTAL AGENCY	**$ 236**		**$ 179**	**$ 57**
MONTANA ARTS COUNCIL				
SPECIAL PROJECTS	50		43	7
TOTAL AGENCY	**$ 50**		**$ 43**	**$ 7**
LIBRARY COMMISSION				
REFERENCE/INFORMATION SERVICES	3		1	2
LIBRARY DEVELOPMENT	73		26	47
NATURAL RESOURCES/HERITAGE	12		12	0
TOTAL AGENCY	**$ 88**		**$ 39**	**$ 49**

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - OTHER SPECIAL REVENUE FUNDS
FOR FISCAL YEAR ENDING JUNE 30, 1987 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
HISTORICAL SOCIETY				
ADMINISTRATION PROGRAM	$ 166		$ 148	$ 18
LIBRARY PROGRAM	32		14	18
MUSEUM PROGRAM	103		71	32
MAGAZINE PROGRAM	9		8	1
PHOTOGRAPH ARCHIVES PROGRAM	18		14	4
EDUCATION PROGRAM	64		49	15
TOTAL AGENCY	**$ 392**		**$ 304**	**$ 88**
DEPT OF FISH, WILDLIFE & PARKS				
WILDLIFE DIVISION	8		6	2
RECREATION & PARKS DIVISION	2		0	2
TOTAL AGENCY	**$ 10**		**$ 6**	**$ 4**
DEPT HEALTH & ENVIRON SCIENCES				
MANAGEMENT SERVICES DIV.	35		30	5
HEALTH SERV/MEDICAL FAC DIV	92		75	17
TOTAL AGENCY	**$ 127**		**$ 105**	**$ 22**
DEPARTMENT OF LIVESTOCK				
BEEF/PORK RESEARCH & MARKETING	570		418	152
TOTAL AGENCY	**$ 570**		**$ 418**	**$ 152**
DEPT NAT RESOURCE/CONSERVATION				
CENTRALIZED SERVICES	244		244	0
ENERGY PLANNING	1,682		39	1,643
TOTAL AGENCY	**$ 1,926**		**$ 283**	**$ 1,643**
DEPARTMENT OF REVENUE				
PROPERTY VALUATION	89		84	5
TOTAL AGENCY	**$ 89**		**$ 84**	**$ 5**

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - OTHER SPECIAL REVENUE FUNDS
FOR FISCAL YEAR ENDING JUNE 30, 1987 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPARTMENT OF ADMINISTRATION				
ARCH & ENGINEERING PGM	$ 544		$ 519	$ 25
TOTAL AGENCY	**$ 544**		**$ 519**	**$ 25**
LONG RANGE BUILDING PLAN				
DEPARTMENTS & AGENCIES	425		0	425
INSTITUTIONS	200		0	200
TOTAL AGENCY	**$ 625**		**0**	**$ 625**
DEPARTMENT OF AGRICULTURE				
CENTRALIZED SERVICES DIVISION	45		41	4
WHEAT RESEARCH/MARKETING UNIT	1,019		869	150
ENVIRONMENTAL MANAGEMENT DIV	3		3	0
PLANT INDUSTRY DIVISION	3		3	0
AGRICULTURAL DEVELOPMENT	61		42	19
TOTAL AGENCY	**$ 1,131**		**$ 958**	**$ 173**
DEPARTMENT OF INSTITUTIONS				
CORRECTIONS	3		3	0
TOTAL AGENCY	**$ 3**		**$ 3**	**0**
MONTANA DEVELOPMENTAL CENTER				
SERVICE & SUPPORT	20		8	12
TOTAL AGENCY	**$ 20**		**$ 8**	**$ 12**
CENTER FOR THE AGED				
RESIDENTIAL SERVICES	8		4	4
TOTAL AGENCY	**$ 8**		**$ 4**	**$ 4**
EASTMONT TRAINING CENTER				
CARE & CUSTODY	3		2	1

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - OTHER SPECIAL REVENUE FUNDS
FOR FISCAL YEAR ENDING JUNE 30, 1987 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
EASTMONT TRAINING CENTER				
TOTAL AGENCY	**$ 3**		**$ 2**	**$ 1**
MOUNTAIN VIEW SCHOOL				
CARE & CUSTODY	6		3	3
TOTAL AGENCY	**$ 6**		**$ 3**	**$ 3**
PINE HILLS SCHOOL				
CARE & CUSTODY DEPARTMENT	357		353	4
TOTAL AGENCY	**$ 357**		**$ 353**	**$ 4**
MONTANA STATE PRISON				
PRISON CANTEEN	537		490	47
TOTAL AGENCY	**$ 537**		**$ 490**	**$ 47**
SWAN RIVER YOUTH FOREST CAMP				
CARE & CUSTODY	57		48	9
TOTAL AGENCY	**$ 57**		**$ 48**	**$ 9**
VETERANS HOME				
CARE & CUSTODY	956		946	10
TOTAL AGENCY	**$ 956**		**$ 946**	**$ 10**
MONTANA STATE HOSPITAL				
TREATMENT SERVICES	144		139	5
TOTAL AGENCY	**$ 144**		**$ 139**	**$ 5**
DEPARTMENT OF COMMERCE				
TRANSPORTATION DIVISION	30		0	30
MONTANA PROMOTION BUREAU	550		388	162

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - OTHER SPECIAL REVENUE FUNDS
FOR FISCAL YEAR ENDING JUNE 30, 1987 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPARTMENT OF COMMERCE				
BUILDING CODES DIVISION	979		945	34
TOTAL AGENCY	**$ 1,559**		**$ 1,333**	**$ 226**
LABOR AND INDUSTRY				
COMMISSIONER OF LABOR & INDUST	166		157	9
TOTAL AGENCY	**$ 166**		**$ 157**	**$ 9**
LABOR & IND-EMPLOYMENT SERVS				
CENTRALIZED SERVICE ADMIN	1,528		1,420	108
EMPLOYMENT RELATIONS	890		775	115
TOTAL AGENCY	**$ 2,418**		**$ 2,195**	**$ 223**
DEPT SOCIAL & REHAB SERVICES				
ASSISTANCE PAYMENT PROGRAM	783		783	0
SOCIAL SERVICES PROGRAM	1,945		1,910	35
ELIGIBILITY DETERMINATION PGM	2,038		1,951	87
ADMINISTRATIVE & SUPPORT SVS	291		288	3
MEDICAL ASSISTANCE	3		1	2
TOTAL AGENCY	**$ 5,060**		**$ 4,933**	**$ 127**
AGENCY PROGRAM TOTALS	$ 21,572	$ 13	$ 16,931	$ 4,654

DEBT SERVICE FUNDS

Debt Service Funds are used to account for the accumulation of resources for the payment of general long-term debt principal and interest. A brief description of each Debt Service Fund follows.

Coal Tax Bonds - Moneys in this fund are pledged for the payment of principal and interest on all State of Montana coal severance tax bonds.

Long-Range Building Program - This fund accounts for the payment of all long-range building program bonds and interest.

Water Development - This fund accounts for coal severance taxes pledged to retire bonds sold to make loans/grants for water development projects and activities, as prioritized by the Legislature.

Highway Revenue Bonds - This fund accounts for gasoline taxes pledged for payment of principal and interest on bonds issued for the purpose of constructing highways in Montana.

Highways Building Complex - This fund accounts for gasoline taxes pledged for the payment of principal and interest on bonds issued for the purpose of acquiring a site, erecting and equipping the Montana Department of Highways headquarters building complex.

Airport Bonds - This fund accounts for the 1983 "B" bonds that are used to retire the balance of unloaned airport bonds.

Department of Social and Rehabilitation Services (SRS) Building - The building occupied by SRS is owned by the Teachers' Retirement System and is leased to the State through a lease-purchase agreement. This fund accounts for the lease payments to the retirement system.

Renewable Resource - This fund accounts for coal severance taxes pledged to retire bonds that were never issued. Transfer of these funds to the State Special Revenue Fund was authorized to finance renewable resource projects.

Water Conservation - This fund accounts for Water Conservation Bonds issued for four projects: Sidney, Little Dry, South Side Canal and Petrolia.

STATE OF MONTANA
Combining Balance Sheet
Debt Service Funds
June 30, 1987
(Expressed in Thousands)

	COAL TAX BONDS	LONG-RANGE BUILDING PROGRAM	WATER DEVELOPMENT	HIGHWAY REVENUE BONDS	HIGHWAYS BUILDING COMPLEX	AIRPORT BONDS	SRS BUILDING	RENEWABLE RESOURCE	TOTALS - JUNE 30 1987	TOTALS - JUNE 30 1986
ASSETS:										
Cash/Cash Equivalents	$ 275	$ 9,417	$ 461	$ 2,517	$ 9	$ -	$ 97	$ 87	$ 12,863	$ 42,955
Cash with Fiscal Agent	-	-	-	-	-	-	-	-	-	2,260
Receivables (Net)	280	2,303	249	13	-	-	-	-	2,845	3,351
Due from Other Funds	55	260	-	-	-	-	-	-	315	174
Equity in Pooled Cash/Investments	1,166	-	188	212	611	402	-	-	2,579	4,004
Long-Term Notes/Loans Receivable	9,731	-	6,692	-	-	-	-	-	16,423	13,927
Investments	5,819	-	-	4,823	-	-	-	-	10,642	12,782
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
LIABILITIES/FUND BALANCES:										
Liabilities:										
Accounts Payable	$ -	$ 1,133	$ -	$ 755	$ -	$ -	$ 2	$ -	$ 1,890	$ 2,801
Due to Other Funds	8	369	-	5	-	-	-	-	382	1,780
Deferred Revenue	3	1,692	-	-	-	-	-	-	1,695	1,674
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Fund Balances:										
Reserved for Debt Service	7,584	8,786	898	6,805	620	402	95	87	25,277	59,271
Reserved for Long-Term Loans	9,731	-	6,692	-	-	-	-	-	16,423	13,927
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

STATE OF MONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Debt Service Funds
For the Fiscal Year Ended June 30, 1987
(Expressed in Thousands)

	COAL TAX BONDS	LONG-RANGE BUILDING PROGRAM	WATER DEVELOPMENT	HIGHWAY REVENUE BONDS	HIGHWAYS BUILDING COMPLEX	AIRPORT BONDS	SRS BLDG	RENEWABLE RESOURCE	WATER CONSERVATION BONDS	TOTALS YEAR ENDED JUNE 30 1987	1986
REVENUES:											
Taxes:											
Gas/Oil/Coal Production	$ 38,273	$ -	$ 421	$ -	$ -	$ -	$ -	$ 421	$ -	$ 39,115	$ 43,161
Individual Income	-	20,879	-	-	-	-	-	-	-	20,879	18,944
Corporate Income	-	3,383	-	-	-	-	-	-	-	3,383	5,824
Cigarette/Tobacco	-	10,207	-	-	-	-	-	-	-	10,207	10,612
Charges for Services/Fines/Forfeits	1	624	3	-	-	-	197	-	-	825	820
Investment Earnings	910	-	851	688	55	15	-	-	-	2,519	2,550
Federal	-	220	-	-	-	-	-	-	-	220	-
Other Revenues	-	-	3	-	-	-	-	-	-	3	393
Total Revenues	39,184	35,313	1,278	688	55	15	197	421	-	77,151	82,304
Intrafund Revenues	-	(61)	-	-	-	-	-	-	-	(61)	-
Net Revenues											
EXPENDITURES:											
General Government	-	-	-	-	-	-	10	-	-	10	-
Debt Service:											
Principal Retirement	370	6,746	295	108,267	360	-	73	50	12	116,173	44.855
Interest/Fiscal Charges	1,512	7,719	799	7,942	174	-	105	77	16	18,344	19,112
Total Expenditures	1,882	14,465	1,094	116,209	534	-	188	127	28	134,527	63,967
Intrafund Expenditures	-	(61)	-	-	-	-	-	-	-	(61)	-
Net Expenditures											
Excess of Revenues Over (Under) Expenditures	37,302	20,848	184	(115,521)	(479)	15	9	294	(28)	(57,376)	18,337
OTHER FINANCING SOURCES (USES):											
Bond Proceeds	-	-	-	71,320	-	-	-	-	-	71,320	43,675
Operating Transfers In	-	14,004	-	15,070	224	-	-	-	28	29,326	31,181
Operating Transfers Out	(36,078)	(34,875)	(260)	-	-	(33)	-	(296)	-	(71,542)	(76,247)
Total Other Financing Sources (Uses)	(36,078)	(20,871)	(260)	86,390	224	(33)	-	(296)	28	29,104	(1,391)
Excess of Revenues/Other Sources over Expenditures/Other Uses											
FUND BALANCES - July 1 - As Previously Reported	15,828	8,809	5,025	42,243	875	243	86	89	-	73,198	28,537
Prior Period Adjustments	-	-	-	(6,307)	-	-	-	-	-	(6,307)	-
FUND BALANCES - July 1 - As Restated	15,828	8,809	5,025	35,936	875	243	86	89	-	66,891	28,537
Residual Equity Transfers	263	-	2,641	-	-	177	-	-	-	3,081	27,715
Fund Balances - Ending											

PAGE LEFT INTENTIONALLY BLANK

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major governmental general fixed assets. A brief description of each Capital Projects Fund follows.

Long-Range Building Program - This fund is maintained to account for resources received and expended for the State's long-range building program. The long-range building program includes costs for the acquisition, construction and improvement of major fixed assets financed by general obligation bonds and interest earned on bond proceeds.

Federal/Private Construction Grants - This fund accounts for federal grants, private donations and federal matching funds that are restricted to general fixed asset construction.

Capital Land Grant - This fund accounts for revenues and expenditures from the capital land grant. Revenues are dedicated for the purpose of constructing capital buildings or additions thereto. Revenues may be transferred to a Debt Service Fund for the payment of principal and interest on bonds issued for capital building construction.

STATE OF MONTANA
Combining Balance Sheet
Capital Projects Funds
June 30, 1987
(Expressed in Thousands)

	LONG-RANGE BUILDING	FEDERAL/PRIVATE CONSTRUCTION GRANT	CAPITAL LAND GRANT	TOTALS - JUNE 30 1987	1986
ASSETS:					
Cash/Cash Equivalents	$ 3,386	$ 848	$ 324	$ 4,558	$ 17,645
Receivables (Net)	177	-	-	177	899
Interfund Loans Receivable	400	-	-	400	-
Due from Other Governments	-	132	-	132	-
Due from Other Funds	88	94	163	345	122
Equity in Pooled Cash/Investments	14,266	-	-	14,266	11,110
Long-Term Notes/Loans Receivable	60	-	16	76	88
Investments	-	-	-	-	1,089
Other Assets	-	-	3	3	4
TOTAL ASSETS	$ 18,377	$ 1,074	$ 506	$ 19,957	$ 30,957
LIABILITIES/FUND BALANCES:					
Liabilities:					
Accounts Payable	$ 823	$ 363	$ -	$ 1,186	$ 375
Interfund Loans Payable	-	400	-	400	-
Due to Other Funds	327	92	-	419	829
Deferred Revenue	60	-	-	60	206
Property Held in Trust	-	219	-	219	-
Total Liabilities	1,210	1,074	-	2,284	1,410
Fund Balances:					
Unreserved	17,167	-	506	17,673	29,547
Total Fund Balances	17,167	-	506	17,673	29,547
TOTAL LIABILITIES/FUND BALANCES	$ 18,377	$ 1,074	$ 506	$ 19,957	$ 30,957

STATE OF MONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Capital Projects Funds
For the Fiscal Year Ended June 30, 1987
(Expressed in Thousands)

	LONG-RANGE BUILDING	FEDERAL/ PRIVATE CONSTRUCTION GRANT	CAPITAL LAND GRANT	TOTALS YEAR ENDED JUNE 30 1987	1986
REVENUES:					
Cigarette/Tobacco Tax	$ 2,409	$ -	$ -	$ 2,409	$ 2,525
Charges for Services/Fines/Forfeits	273	-	690	963	610
Investment Earnings	1,352	-	-	1,352	2,893
Grants/Contracts/Donations	-	3,599	-	3,599	-
Federal	-	304	-	304	1,097
Other Revenues	-	-	-	-	688
Total Revenues	4,034	3,903	690	8,627	7,813
Intrafund Revenues	(162)	-	-	(162)	-
Net Revenues	3,872	3,903	690	8,465	7,813
EXPENDITURES:					
Current:					
General Government	18	-	38	56	117
Resource Development/Recreation	23	-	-	23	-
Capital Outlay	10,211	3,903	-	14,114	20,099
Total Expenditures	10,252	3,903	38	14,193	20,216
Intrafund Expenditures	(162)	-	-	(162)	-
Net Expenditures	10,090	3,903	38	14,031	20,216
Excess of Revenues Over (Under) Expenditures	(6,218)	-	652	(5,566)	(12,403)
OTHER FINANCING SOURCES (USES):					
Bond Proceeds	-	-	-	-	8,550
Operating Transfers Out	(1,047)	-	(167)	(1,214)	(3,454)
Total Other Financing Sources (Uses)	(1,047)	-	(167)	(1,214)	5,096
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses	(7,265)	-	485	(6,780)	(7,307)
FUND BALANCES - July 1	29,526	-	21	29,547	36,857
Residual Equity Transfers	(5,094)	-	-	(5,094)	(3)
FUND BALANCES - June 30	$ 17,167	$ -	$ 506	$ 17,673	$ 29,547

STATE OF MONTANA
PROJECT-LENGTH SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - CAPITAL PROJECTS FUND TYPE
BEGINNING OF PROJECT TO JUNE 30, 1987 (EXPRESSED IN THOUSANDS)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
LEGISLATIVE COUNCIL				
INTERIM STUDIES & CONFERENCES	$ 1		$ 1	0
TOTAL AGENCY	**$ 1**		**$ 1**	**0**
DEPT OF FISH, WILDLIFE & PARKS				
CAPITAL OUTLAY	55		55	0
TOTAL AGENCY	**$ 55**		**$ 55**	**0**
DEPARTMENT OF STATE LANDS				
FORESTRY	44		23	21
TOTAL AGENCY	**$ 44**		**$ 23**	**$ 21**
DEPARTMENT OF ADMINISTRATION				
ARCH & ENGINEERING PGM		541	541	0
GENERAL SERVICES PROGRAM	59		38	21
BONDS & TANS		637	167	470
TOTAL AGENCY	**$ 59**	**$ 1,178**	**$ 746**	**$ 491**
LONG RANGE BUILDING PLAN				
SEAL COAT ROOF-MIL AFFAIRS	34		34	0
PNT NAT GRD ARMRS-MIL AFFR	46		11	35
DIST FSTRY CMPLX-PLAINS-DNRC	200		0	200
FRST SHP-STRG BLDG-CLWTR-DNRS	40		0	40
RETROFIT BLDGS-ENERGY-ADM	1,000		1,000	0
SEAL COAT ROOFS-MIL AFFAIRS	49		48	1
PAINT NAT GRD ARMR-MIL AFFAIRS	189		183	6
ADTN-JB SRV-KALISPELL-LBR & IN	349		349	0
BOZ JOB SERV OFFICE-LBR & IND	516		516	0
GRANT-RETROFIT STATE BLDGS-ADM	262		262	0
CONST ARMORY-HAVRE-MIL	469		469	0
CONSTRUCT ANIMAL LAB FACILITY-	2,180		2,180	0
RETROFIT STATE BLDGS-ADM	2,250		2,250	0
PLAN NATURAL RESCOURCE BLDG-DN	400		400	0
CONST ARMORY-HAVRE-MIL	216		216	0
"82" UNIVERSITY MAINTENANCE	988		988	0
"82" HNDCPPD ACCESSIBILITY-UNI	500		500	0
REMODEL COWAN HALL-NMC	150		150	0
KITCHEN REPAIRS-VETS HOME	21		21	0

STATE OF MONTANA
PROJECT-LENGTH SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - CAPITAL PROJECTS FUND TYPE
BEGINNING OF PROJECT TO JUNE 30, 1987 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
LONG RANGE BUILDING PLAN				
SPRINKLER SYSTM-VETS HOME	$ 47		$ 47	0
ST. CAPITOL BLDG-RENOVATION	6,750		1,705	5,045
POLSON JOB SERVICE BLDG	148		148	0
HAMILTON JOB SERVICE BLDG	198		198	0
WORKERS COMPENSATION BLDG.	4,000		3,975	25
CONST. CHILDREN'S UNIT -BILLIN	2,626		2,626	0
REM & ADDTN-CISEL HALL-EMC	1,190		1,190	0
CONSTRUCT FINE ARTS FACILITY-U	7,500		7,474	26
CONST NURSING FACILITY-VETS HM	1,740		1,737	3
SEC IMPR-CLOSE I&II-PRISON	68		68	0
RENOVATION-ADMIN BLDG PRISON	88		88	0
LIGHTING -PRISON	71		71	0
KITHCEN EXPANSION-PRISON	205		205	0
UPGRADE WATER SYSTEM-PRISON	400		365	35
CHILDRENS TRTMT UNIT-SUPLMT-BL	451		419	32
REPAIR & REPLACE ROOFS-MIL	39		39	0
'83 ENRGY RTRFT-STATEWIDE-MIL	74		74	0
EMERGENCY OPERATION CNTR-HLN-M	777		777	0
LINFIELD HALL AUD. REPAIR-MSU	150		0	150
PLAN ENG/PHYSICAL SC COMPLEX-M	350		172	178
COMPLETE LIBRARY BASEMENT-MSU	300		0	300
PAVE HAD-MARSH LAB & AG CMPLX-	286		0	286
REMODEL HERRICK HALL-MSU	300		0	300
MACH SHOP & STRG CMPLX-BOZ AES	302		0	302
EXPND MUSEUM OF ROCKIES-MSU	6,000		2,762	3,238
ENG/LAB-CLASSROOM BLDG-MCMST	1,250		981	269
"83 ENERGY RETROFIT,PHIII-ADM	1,000		756	244
"83 LND ACQ & GRND IMPR-ADM	70		47	23
BLDG MDFCTNS-820 FRNT ST-ADM	120		120	0
STORM DRNG DETENTION BSN-ADM	250		235	15
'83 GT SPR HRTG ST PK IMPR-FWP	75		53	22
'83 BANNOCK ST PK IMP-FWP	158		158	0
'83 RF REP & MAJOR MTNCE-INST	1,046		1,003	43
CONST PORTE-COCHERE-CA	6		0	6
REMODEL INFIRMARY-PRISON	200		200	0
INDUSTRIES BLDG-PRISON	700		700	0
SEWAGE STUDY- SWN RVR	7		7	0
FORENSIC BLDG IMP & ADDTN-WM S	1,678		1,108	570
REPAIR & REPLACE ROOFS-MIL	135		134	1
STREET IMPR-ANACONDA-MIL	19		0	19
'83 ENRGY RTRFT-STATEWIDE-MIL	5		5	0
EMERGENCY OPERATION CNTR-HLN-M	861		861	0
CAPITAL IMPR-STATEWIDE-LANDS	35		35	0
'83 RF REP & MJR MTNCE-UNIV.	1,494		1,426	68
PRIMARY ELECT DIST SYST UM	210		210	0
MAJOR EXPANSION-PRISON	14,920		14,234	686
COMPLETE CISEL HALL REM-EMC	615		615	0
CONST DNRC BLDG-CAP CMPLX	6,958		6,769	189
ENGINEERING LAB/CLSSRM BLDG-MC	4,250		4,244	6

STATE OF MONTANA

PROJECT-LENGTH SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - CAPITAL PROJECTS FUND TYPE
BEGINNING OF PROJECT TO JUNE 30, 1987 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
LONG RANGE BUILDING PLAN				
CONTROLLED ENVIRONMENT FACILIT	$ 5,302		$ 4,890	$ 412
1983 VET & PNR MEM BLDG ADDTN-	2,063		2,031	32
RENOVATE 4TH FLOOR-SOC SC BLDG	499		493	6
MOSS MANSION LAND PURCHASE-BIL	50		0	50
CONST FISH HATCHERY-CRESTON SP	455		133	322
RENOVATE FISH HTCHRY-GT FALLS-	1,900		1,868	32
RENOVATE FISH HTCHRY-BIG TIMBE	500		481	19
CONST GLASGOW REG HDQTRS BLDG-	220		220	0
EVERETT L LYNN LAND PURCH-ADM	91		61	30
EXCESS INT.EARNING -81BONDS		6,000	5,550	450
EXCESS INT.EARNINGS-'83 BONDS		7,500	6,000	1,500
BLDG MODIFCTNS-920 FR ST	120		120	0
FIRE PROTECTION-CAPITOL COMPLE	361		327	34
ASBESTOS SURVEY & ABTMNT-ST-WI	250		88	162
ROOF RPLCMNT-BLDG #7- BRSH	7		7	0
ROOF RPLCMNT-CAFTRA-MTN VW	9		9	0
SANITARY SWR EXPNSN-PRISON	250		250	0
FORENSIC BLDG-MT ST HOSP	4,327		2,736	1,591
FIRE SPRSSN HOOD- CNRY KTCHN-B	2		1	1
REMDL CTTGE #16- BRSH	33		0	33
'85' MTNCE & REP- MONT ST HOSP	61		0	61
NEW FLOORING-PINE HILLS	10		8	2
LNDRY FACLTY IMPR-C FOR A	215		215	0
WAREHOUSE & EQPMNT-PRISON	196		191	5
EXPANSION EQPMNT-PRISON	189		151	38
RIPRAP PRKLY PR CRK-MTN VIEW	19		17	2
'85' RF RPLCMNTS-ST WIDE-MIL	293		164	129
CMBND SPRT MTNCE FAC-FT HRRSN-	34		2	32
MULTIPLE INDR FRNG RNGS-MIL	23		8	15
RETROFIT NONARMORY FAC'S-MIL	5		0	5
ARMORY STORAGE ADDTNS-ST WIDE-	11		0	11
ORGZTNL MTNCE SHOP-CHINOOK-MIL	25		8	17
ORGNZTNL MTNCE SHOP-BILLINGS-M	111		96	15
ORGNZTNL MTNCE SHOP-KLSPEL-MIL	40		22	18
ORGNZTNL MTNCE SHOP-MSLA-MIL	25		0	25
ORGNZTNL MTNCE SHOP-BELGRADE-M	25		0	25
ORGNZTNL MTNCE SHOP-CLBRTSN-MI	25		0	25
"85" PNT SHOPS & ARMORIES-ST W	67		7	60
ENLRG RMRY & SCRTY CMPONDS-MIL	25		0	25
'85' ROOF RPLCMNTS-MSU	191		144	47
'85' ROOF RPLCMNTS-UM	119		72	47
JHNSN/WLSN HALL BRK REP-MSU	1,976		286	1,690
HLTH & SAFETY PROJCTS-UM	398		10	388
HLTH & SAFETY PROJECTS-NMC	23		23	0
MAJ MTNCE & REP-EMC	39		39	0
'85 MAJ MTNCE & REP-WMC	127		33	94
ELECT DSTRBTN, PH II-UM	550		512	38
BROCKMAN CNTR PARTITIONS-NMC	27		24	3
REPAIR PARAPET WALLS-EMC	19		11	8

STATE OF MONTANA
PROJECT-LENGTH SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - CAPITAL PROJECTS FUND TYPE
BEGINNING OF PROJECT TO JUNE 30, 1987 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
LONG RANGE BUILDING PLAN				
FARM SHOP-AGRI EXPRMNT STTN-MS	$ 120		$ 119	$ 1
RMDL ENVRNMNTL LAB- BZM- AGRI	80		72	8
ENERGY CONSRVTN RETROFIT-ST.WI	400		305	95
'85' RF RPLCMNTS=ST WIDE-MIL	103		103	0
CMBND SPRT MTNCE FAC-FT HRRSN-	1,845		0	1,845
MULTIPLE INDR FRNG RNGS-MIL	1,196		92	1,104
RETROFIT NONARMORY FAC'S-MIL	150		0	150
ARMORY STORAGE ADDTNS-ST WIDE-	426		0	426
ORGNZTNL MTNCE SHOP-CHINOOK-MI	632		463	169
ORGNZTNL MTNCE SHOP-BILLINGS-M	632		24	608
ORGNZTNL MTNCE SHOP-KLSPEL-MIL	675		24	651
ORGNZTNL MTNCE SHOP-MSLA=MIL	675		0	675
ORGNZTNL MTNCE SHOP-BELGRADE-M	675		0	675
ORGNZTNL MTNCE SHOP-CLBRTSN-MI	675		0	675
'85' PNT SHPS & ARMRS-ST WIDE-	72		4	68
ENLRG ARMRY & SCRTY CMPNDS-MIL	80		0	80
FEDERAL CONTINGENCY FUNDS-MIL	200		93	107
EMERGENCY OPERATION CENTER-MIL	87		87	0
WARM SPGS SEWER	375		16	359
WARM SPRINGS SEWER	125		99	26
TECH MISC IMP	100		98	2
A&E PRE-PLANNING	200		171	29
FISH HATCHERY EXPSN-MILES CITY	4,900		1,726	3,174
WASHOE PARK TROUT HATCHERY REP	250		232	18
UPGRADE BIG SPRINGS TROUT HTCH	300		38	262
SWIMMING POOL ADDITION-WMC	1,400		31	1,369
LND ACQ & GRND IMPR-ADM	249		249	0
CLASSROOM RENOVATION-UM	98		98	0
EXCESS INT ERNGS-CAP RENO ACCT		1,347	1,347	0
SEWAGE TREATMNT FACILITY-SWN R	59		40	19
DEBT SERVICE PAYMENTS-WKRS COM		440	440	0
'81 JOB SRVC DEBT SERV PYMNTS		58	14	44
FUND TRANSF-CAPTL RENOVAT ACCT		5,200	0	5,200
ASBESTOS ABATEMENT,PH II-ADM	500		0	500
REPLACE ROOFS-CAP, COMPLEX-ADM	104		0	104
HNDCPPED MODIFICATIONS-CAP COM	236		0	236
FIRE PROTECTION, PH II-CAP CMP	50		0	50
FED ENERGY RETROFIT-STATEWIDE-	200		0	200
IMPR HNDCPPD ACCESS-SC FOR D&B	33		0	33
UPGR REGISTRAR'S BR-DR LDGE-JS	75		0	75
HELENA JOB SERVICE ADDITION-L&	250		0	250
REPAIR PROJECTS-STILLWATER-LAN	28		0	28
REPLACE ROOF-CHINOOK ARMORY-MI	45		0	45
FEDERAL SPENDING AUTHORITY-MIL	300		0	300
ARMORY STORAGE ADDTNS-ST WIDE-	300		0	300
CORRECT HLTH, SFTY & FUME SYST	124		0	124
ELIMINATE PCB-EMC	20		0	20
INST PLTFRM LIFT-SPEC ED BLDG-	15		0	15
INST ELEVATOR-LIBRARY-WMC	141		0	141

STATE OF MONTANA
PROJECT-LENGTH SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - CAPITAL PROJECTS FUND TYPE
BEGINNING OF PROJECT TO JUNE 30, 1987 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
LONG RANGE BUILDING PLAN				
RENO FIRE ALARM SYSTEMS-WMC	$ 35		0	$ 35
RENO FIRE ALARM SYSTEMS-MSU	38		0	38
IMPR ELECT DIST, PH I-MSU	1,229		0	1,229
INST EXHAUST SYSTEM-NMC	50		0	50
REPAIR PROJECTS-WMC	78		0	78
MJR MTNCE-AES-HUNTLEY & HAVRE-	160		0	160
WATER & STEAM MAINS-UM	168		0	168
REROOF SPEC ED BLDG-EMC	119		0	119
MISC ROOF REPLACEMENT-MCMST	227		0	227
MISC ROOF REPLACEMENT-MSU	396		0	396
REROOF MATH SCIENCE BLDG-NMC	56		0	56
MISC ROOF REPLACEMENT-UM	168		0	168
MISC ROOF REPAIR-WMC	25		0	25
CORRECT LIFE SAFETY CODES-MDC	126		0	126
CORRECT LIFE SAFTY CODES-CTTG	95		0	95
REPAIR SEWAGE LAGOON-MDC	20		0	20
INSTALL SMOKE DETECTORS-MSH	10		0	10
REP BOILER & MLTIPRPS ROOF-MSH	157		0	157
REROOF BLDG 104 & LAUNDRY-MDC	143		0	143
REROOF SHOP-MTN VIEW	9		0	9
IMPR HNDCPPD ACCESS-MSH	125		0	125
IMPR HNDCPPD ACC & INSTALL FEN	21		0	21
DRNG SYSTM & UPGRADE PHY PLNT-	35		0	35
REFURBISH WATER TOWERS-STATEWI	50		0	50
REM CTTGES 16A, B, & C-MDC	1,038		0	1,038
MISC REPAIR PROJECTS-MSH	61		0	61
CONST YARD STRG & TOILETS-PRIS	62		0	62
REMODEL DINING ROOM-MSU	100		0	100
LEGAL FEES & COSTS-PRISON	75		0	75
MISC TRANSFER-ESD		42	40	2
DEBT SERVICE PAYMENTS-WMC		13	13	0
TECH-SEWER LINE	91		77	14
JUSTICE & LIBRARY BLDG-ADM	6,450		6,305	145
TOTAL AGENCY	**$ 131,905**	**$ 20,600**	**$ 107,346**	**$ 45,159**

PROPRIETARY FUNDS

Enterprise Funds - To account for operations (1) financed and operated similar to private business enterprises, where the intent of the Legislature is that costs are to be financed or recovered primarily through user charges; or (2) where the Legislature has decided that periodic determination of revenue earned, expenses incurred, or net income is appropriate.

Internal Service Funds - To account for the financing of goods and services provided by one department or agency to other departments, agencies or other governmental entities on a cost-reimbursement basis.

STATE OF MONTANA
SCHEDULE OF EXPENSES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - PROPRIETARY FUND TYPE
FOR FISCAL YEAR ENDING JUNE 30, 1987 (EXPRESSED IN THOUSANDS)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENSES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
GOVERNORS OFFICE				
OFFICE OF BDGET & PGM PLANNING	$ 74		$ 74	0
TOTAL AGENCY	**$ 74**		**$ 74**	**0**
DEPARTMENT OF JUSTICE				
AGENCY LEGAL SERVICES	427		426	1
CENTRAL SERVICES DIVISION	0		0	0
TOTAL AGENCY	**$ 427**		**$ 426**	**$ 1**
PUBLIC SERVICE REGULATION				
PUBLIC SERVICE REGULATION PROG	15		13	2
TOTAL AGENCY	**$ 15**		**$ 13**	**$ 2**
COMMISSIONER OF HIGHER ED				
MUS GROUP INSURANCE PROGRAM	8,302		7,283	1,019
TOTAL AGENCY	**$ 8,302**		**$ 7,283**	**$ 1,019**
HISTORICAL SOCIETY				
MAGAZINE PROGRAM	453		412	41
TOTAL AGENCY	**$ 453**		**$ 412**	**$ 41**
FIRE SERVICES TRAINING SCHOOL				
FIRE SERVICES TRAINING SCHOOL	12		8	4
TOTAL AGENCY	**$ 12**		**$ 8**	**$ 4**
DEPT OF FISH, WILDLIFE & PARKS				
CENTRALIZED SERVICES DIVISION	1,899		1,503	396
RECREATION & PARKS DIVISION	250		220	30
TOTAL AGENCY	**$ 2,149**		**$ 1,723**	**$ 426**

STATE OF MONTANA
SCHEDULE OF EXPENSES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - PROPRIETARY FUND TYPE
FOR FISCAL YEAR ENDING JUNE 30, 1987 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENSES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPARTMENT OF HIGHWAYS				
HIGHWAY SERVICE REVOLVING	$ 3,243		$ 2,955	$ 288
STATE MOTOR POOL	686		670	16
EQUIPMENT PROGRAM	12,213		11,706	507
TOTAL AGENCY	**$ 16,142**		**$ 15,331**	**$ 811**
DEPARTMENT OF STATE LANDS				
CENTRAL MANAGEMENT PROGRAM	196		180	16
TOTAL AGENCY	**$ 196**		**$ 180**	**$ 16**
DEPARTMENT OF REVENUE				
DIRECTORS OFFICE	46		46	0
DATA PROCESSING DIVISION	422		422	0
INVESTIGATION AND ENFORCEMENT	284		284	0
LIQUOR DIVISION	34,380		32,228	2,152
LIQUOR DIVISION		15,830	14,158	1,672
TOTAL AGENCY	**$ 35,132**	**$ 15,830**	**$ 47,138**	**$ 3,824**
DEPARTMENT OF ADMINISTRATION				
DIRECTOR'S OFFICE	43		43	0
"PUBLICATIONS AND GRAPHICS"	3,915		3,721	194
INFORMATION SERVICES DIVISION	14,877		14,374	503
GENERAL SERVICES PROGRAM	2,904		2,849	55
GENERAL SERVICES PROGRAM		118	118	0
PROPERTY AND SUPPLY BUREAU	3,378		2,493	885
MAIL & DISTRIBUTION BUREAU	1,105		994	111
CENTRALIZED SERVICES DIVISION	27		27	0
INVESTMENT PROGRAM	762		747-	15
STATE PERSONNEL DIVISION	19,398		17,979	1,419
TORT CLAIMS DIVISION	10,765		6,774	3,991
TORT CLAIMS DIVISION		1,993	849	1,144
TOTAL AGENCY	**$ 57,174**	**$ 2,111**	**$ 50,968**	**$ 8,317**
LONG RANGE BUILDING PLAN				
DEPARTMENTS & AGENCIES	101		51	50
TOTAL AGENCY	**$ 101**		**$ 51**	**$ 50**

STATE OF MONTANA
SCHEDULE OF EXPENSES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - PROPRIETARY FUND TYPE
FOR FISCAL YEAR ENDING JUNE 30, 1987 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENSES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPARTMENT OF AGRICULTURE				
CENTRALIZED SERVICES DIVISION	$ 2		0	$ 2
PLANT INDUSTRY DIVISION	43		17	26
AGRICULTURAL DEVELOPMENT	98		13	85
TOTAL AGENCY	**$ 143**		**$ 30**	**$ 113**
MONTANA STATE PRISON				
RANCH & DAIRY	1,797		1,088	709
PRISON INDUSTRIES REVOLVING	609		552	57
PRISON INDUSTRIES TRAINING	182		179	3
TOTAL AGENCY	**$ 2,588**		**$ 1,819**	**$ 769**
MONTANA YOUTH TREATMENT CENTER				
TREATMENT SERVICES	28		3	25
TOTAL AGENCY	**$ 28**		**$ 3**	**$ 25**
DEPARTMENT OF COMMERCE				
DIVISION OF AERONAUTICS	88		35	53
LOCAL GOVERNMENT AUDIT SERVICE	929		864	65
ACCOUNTING/MANAGEMENT SERVICES	274		195	79
LOCAL GOVT ASSISTANCE ADMIN	102		99	3
HEALTH FACILITIES AUTHORITY	119		96	23
ECONOMIC DEVELOPMENT BOARD	360		302	58
BOARD OF HOUSING	1,173		1,173	0
LOTTERY DIVISION	4,616		4,607	9
DIRECTOR/MANAGEMENT SERVICES	758		731	27
TOTAL AGENCY	**$ 8,419**		**$ 8,102**	**$ 317**
LABOR & IND-EMPLOYMENT SERVS				
EMPLOYMENT RELATIONS	3		1	2
TOTAL AGENCY	**$ 3**		**$ 1**	**$ 2**

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that provide goods or services to the public on a user charge basis. A brief description of each Enterprise Fund follows.

Housing Authority - This fund is maintained to account for activities of the Montana Board of Housing. The Board issues bonds and carries federally insured mortgage notes to provide qualified individuals with financing to purchase residential housing.

Economic Development Board - This operation is directed by a seven-member board, administered by the Department of Commerce. This fund accounts for the Board's Industrial Development Bond (IDB) Program and the Montana Cash Anticipation Program. Outstanding bonds may not aggregate greater than $75 million. This program assists Montana's small businesses and local governments in obtaining long-term, fixed-rate financing through private Montana lending institutions.

Employees Group Benefits - This fund receives employee (excluding higher education units) withholdings and State contributions to the medical self-insurance plan. The State contracted Montana Physicians Service to oversee the administrative functions of the program.

Liquor Stores - This fund accounts for activities related to the sale and distribution of alcoholic beverages within the State. Profits are used to finance General Fund expenditures.

State Lottery - This fund accounts for the operations of Montana's lottery. The first game was played in June, 1987.

MUS Group Insurance - This fund accounts for contributions to the Montana University System's (MUS) medical/dental self-insurance plan.

FWP Snowgroomer Rental - This fund accounts for activities related to providing snowgroomer equipment to snowmobile clubs where users are charged for use of the equipment.

Historical Society Publications - This fund accounts for the Historical Society's sale of its publications. Some profits are transferred to the State Special Revenue Fund to finance artifact restoration and painting conservation costs.

West Yellowstone Airport - This fund, administered by the Department of Commerce, accounts for operations of the airport at West Yellowstone. User airlines are assessed rent and landing fees.

Health Facilities Authority - This operation, administered by the Department of Commerce, began in fiscal year 1984. The purpose of the Authority, composed of a seven-member Board of Directors, is to contain future health care costs to the people of Montana through reduced debt financing of capital equipment and buildings for Montana's non-profit health care institutions. Bonded debt issuances are limited to $150 million per biennium. The only source of funding is fee revenues generated through loans made from bond proceeds.

Beginning Farm Loans - This operation began in fiscal year 1984 and is administered by the Department of Agriculture. The Montana Agriculture Loan Authority, composed of a nine-member Board, approves loans to qualifying beginning farmers/ranchers. Bonds may be issued by the Authority to finance the operations of this program; however, no bonds have been sold to date. The total amount of bonds outstanding at any one time may not exceed $40 million. Revenues are generated from application fees and loan origination fees.

Fire Services Training - This fund accounts for revenues from the sale of textbooks, newsletters, patches, pens, caps and educational materials by the Fire Services Training School.

Leaf-Cutting Bee - This fund accounts for fees collected annually from persons importing, possessing or controlling alfalfa leaf-cutting bees. Fees are used by the Department of Agriculture to reimburse costs incurred in certifying that the bees are disease free.

STATE OF MONTANA
Combining Balance Sheet
Enterprise Funds
June 30, 1987
(Expressed in Thousands)

	HOUSING AUTHORITY	ECONOMIC DEVELOPMENT BOARD	EMPLOYEES GROUP BENEFITS	LIQUOR STORES	STATE LOTTERY	MUS GROUP INSURANCE
ASSETS:						
Cash/Cash Equivalents	$ 68,310	$ 29,351	$ 2,234	$ 1,297	$ 196	$ 148
Cash with Fiscal Agent	-	2,194	-	-	-	-
Receivables (Net)	6,128	446	299	56	3,418	26
Due from Other Funds	1,274	2	691	5	-	2
Inventories	-	-	-	7,329	380	-
Equity in Pooled Cash/Investments	-	-	12,044	-	-	4,632
Long-Term Loans/Notes Receivable	446,695	8,761	-	-	-	-
Investments	66,391	1,228	5,998	-	-	-
Buildings/Improvements	-	-	-	1,736	-	-
Equipment	118	35	13	764	675	-
Other Fixed Assets	-	-	-	-	4	-
Accumulated Depreciation	(29)	(8)	(3)	(917)	(19)	-
Intangible Assets	27	1	-	-	840	-
Other Assets	-	-	-	58	9	-
TOTAL ASSETS	$ 588,914	$ 42,010	$ 21,276	$ 10,328	$ 5,503	$ 4,808
LIABILITIES/FUND EQUITY:						
Liabilities:						
Accounts Payable	$ 3,711	$ 302	$ 443	$ 1,140	$ 1,016	$ 2
Lottery Prizes Payable	-	-	-	-	1,094	-
Interfund Loans Payable	-	150	-	-	1,230	-
Due to Other Funds	1,293	17	7	2,100	92	2
Deferred Revenue	-	368	-	-	-	-
Installment Purchase/Lease Payable	6	-	-	1	817	-
Bonds/Notes Payable (Net)	540,625	41,044	-	-	-	-
Compensated Absences Payable	32	33	10	283	31	3
Estimated Insurance Claims	-	-	3,341	-	-	1,212
Total Liabilities	545,667	41,914	3,801	3,524	4,280	1,219
Fund Equity:						
Contributed Capital	-	23	-	1,916	-	-
Retained Earnings:						
Reserved for: Debt Service	41,836	-	-	-	-	-
Employee Benefits	-	-	17,475	-	-	3,589
Unreserved	1,411	73	-	4,888	1,223	-
Total Fund Equity	43,247	96	17,475	6,804	1,223	3,589
TOTAL LIABILITIES/FUND EQUITY	$ 588,914	$ 42,010	$ 21,276	$ 10,328	$ 5,503	$ 4,808

FWP SNOWGROOMER RENTAL	HISTORICAL SOCIETY PUBLICATIONS	WEST YELLOWSTONE AIRPORT	HEALTH FACILITIES AUTHORITY	BEGINNING FARM LOANS	FIRE SERVICES TRAINING SCHOOL	LEAF-CUTTING BEE	TOTALS - JUNE 30 1987	1986
$ 32	$ 104	$ 42	$ 141	$ 11	$ 3	$ 1	$ 101,870	$ 2,498
-	-	-	-	-	-	-	2,194	1,898
-	5	-	-	-	-	-	10,378	9,899
2	-	-	-	-	-	-	1,976	697
-	185	-	-	-	3	-	7,897	6,637
-	-	-	-	-	-	-	16,676	9,710
-	-	-	-	-	-	-	455,456	494,769
-	-	-	-	-	-	-	73,617	262,529
-	-	383	-	-	-	-	2,119	2,119
464	33	107	24	1	-	1	2,235	1,472
-	1	-	-	-	-	-	5	-
(65)	(12)	(276)	(5)	-	-	-	(1,334)	(1,154)
-	6	-	-	-	-	-	874	-
-	-	-	1	-	-	-	68	68
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

$ -	$ 3	$ 1	$ -	$ -	$ 1	$ -	$ 6,619	$ 10,136
-	-	-	-	-	-	-	1,094	-
-	-	-	-	-	-	-	1,380	347
-	3	2	2	-	-	-	3,518	981
-	145	-	-	-	-	1	514	504
-	-	-	-	-	-	-	824	7
-	-	-	-	-	-	-	581,669	711,682
-	12	-	3	3	-	2	412	377
-	-	-	-	-	-	-	4,553	3,179
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
403	34	9	-	197	3	-	2,585	2,314
-	-	-	-	-	-	-	41,836	38,782
-	-	-	-	-	-	-	21,064	14,397
30	125	244	156	(188)	2	(1)	7,963	8,436
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

STATE OF MONTANA
Combining Statement of Revenues, Expenses and Changes in Retained Earnings
Enterprise Funds
For the Fiscal Year Ended June 30, 1987
(Expressed in Thousands)

	HOUSING AUTHORITY	ECONOMIC DEVELOPMENT BOARD	EMPLOYEES GROUP BENEFITS	LIQUOR STORES	STATE LOTTERY	MUS GROUP INSURANCE
OPERATING REVENUES:						
Charges for Services	$ 62	$ 158	$ 18,604	$ 36,135	$ 4,793	$ -
Investment Earnings	58,511	3,089	1,664	-	-	300
Contributions/Premiums	-	-	-	-	-	7,421
Taxes	-	-	-	9,153	-	-
Other Operating Revenues	3	-	-	-	-	-
Total Operating Revenues	58,576	3,247	20,268	45,288	4,793	7,721
Intrafund Revenues	-	(65)	-	-	-	-
Net Operating Revenues	58,576	3,182	20,268	45,288	4,793	7,721
OPERATING EXPENSES:						
Personal Services	362	234	147	3,950	194	38
Contractual Services	2,377	21	841	1,200	720	48
Supplies/Materials	9	5	1	25,856	136	-
Expendable Equipment	-	-	1	-	2	-
Benefits	-	-	17,035	-	-	7,012
Depreciation	13	7	2	99	19	-
Utilities/Rent	29	12	2	863	30	4
Communications	29	13	16	127	227	2
Travel	24	9	1	19	26	1
Repair/Maintenance	21	2	-	53	22	4
Lottery Prize Payments	-	-	-	-	2,164	-
Debt Service	52,580	2,985	-	-	-	-
Other Operating Expenses	-	25	17	28	-	229
Total Operating Expenses	55,444	3,313	18,063	32,195	3,540	7,338
Intrafund Expenses	-	(65)	-	-	-	-
Net Operating Expenses	55,444	3,248	18,063	32,195	3,540	7,338
Operating Income (Loss)	3,132	(66)	2,205	13,093	1,253	383
NONOPERATING REVENUES (EXPENSES):						
Gain (Loss) on Sale of Fixed Assets	-	(1)	-	(2)	-	-
Net Gain on Investment Transactions	-	-	-	-	-	-
Total Nonoperating Revenues (Expenses)	0	(1)	-	(2)	-	-
Income (Loss) Before Operating Transfers	3,132	(67)	2,205	13,091	1,253	383
Operating Transfers In (Out)	-	175	-	(14,158)	-	-
Net Income (Loss)	3,132	108	2,205	(1,067)	1,253	383
RETAINED EARNINGS - JULY 1 - As Previously Reported	40,115	(35)	15,270	5,955	-	-
Prior Period Adjustments	-	-	-	-	-	3,206
RETAINED EARNINGS - JULY 1- As Restated	40,115	(35)	15,270	5,955	-	3,206
Residual Equity Transfers	-	-	-	-	(30)	-
RETAINED EARNINGS - JUNE 30	$ 43,247	$ 73	$ 17,475	$ 4,888	$ 1,223	$ 3,589

FWP SNOWGROOMER RENTAL	HISTORICAL SOCIETY PUBLICATIONS	WEST YELLOWSTONE AIRPORT	HEALTH FACILITIES AUTHORITY	BEGINNING FARM LOANS	FIRE SERVICES TRAINING SCHOOL	LEAF-CUTTING BEE	TOTALS YEAR ENDED JUNE 30 1987	1986
$ 47	$ 387	$ -	$ 129	$ -	$ 8	$ 7	$ 60,330	$ 57,701
-	-	-	-	-	-	-	63,564	64,028
-	-	-	-	-	-	-	7,421	-
-	-	-	-	-	-	-	9,153	9,568
-	-	35	-	-	-	-	38	490
47	387	35	129	-	8	7	140,506	131,787
-	-	-	-	-	-	-	(65)	-
47	387	35	129	-	8	7	140,441	131,787
-	120	17	57	5	-	15	5,139	5,011
-	38	2	5	4	-	-	5,256	4,086
-	205	3	3	-	6	-	26,224	26,958
-	1	-	-	-	-	-	4	-
-	-	-	-	-	-	-	24,047	18,050
31	2	8	3	-	-	-	184	163
-	7	4	4	-	-	-	955	966
-	14	1	5	-	-	1	435	202
-	2	-	8	1	-	-	91	-
-	2	2	2	-	-	-	108	75
-	-	-	-	-	-	-	2,164	-
-	-	-	-	-	-	-	55,565	56,089
-	5	2	8	1	-	-	315	221
31	396	39	95	11	6	16	120,487	111,821
-	-	-	-	-	-	-	(65)	-
31	396	39	95	11	6	16	120,422	111,821
16	(9)	(4)	34	(11)	2	(9)	20,019	19,966
-	(4)	-	-	-	-	-	(7)	(6)
-	-	-	-	-	-	-	-	23
-	(4)	-	-	-	-	-	(7)	17
16	(13)	(4)	34	(11)	2	(9)	20,012	19,983
-	40	3	-	-	-	-	(13,940)	(13,831)
16	27	(1)	34	(11)	2	(9)	6,072	6,152
14	98	245	122	(177)	-	8	61,615	57,679
-	-	-	-	-	-	-	3,206	(2,206)
14	98	245	122	(177)	-	8	64,821	55,473
-	-	-	-	-	-	-	(30)	(10)
$ 30	$ 125	$ 244	$ 156	$ (188)	$ 2	$ (1)	$ 70,863	$ 61,615

STATE OF MONTANA
Combining Statement of Changes in Financial Position
Enterprise Funds
For the Fiscal Year Ended June 30, 1987
(Expressed in Thousands)

	HOUSING AUTHORITY	ECONOMIC DEVELOPMENT BOARD	EMPLOYEES GROUP BENEFITS	LIQUOR STORES	STATE LOTTERY	MUS GROUP INSURANCE
SOURCES OF WORKING CAPITAL:						
Operations:						
Net Income (Loss)	$ 3,132	$ 108	$ 2,205	$ (1,067)	$ 1,253	$ 383
Items Not Requiring Working Capital:						
Depreciation	13	7	2	99	19	-
Working Capital Provided by Operations	3,145	115	2,207	(968)	1,272	383
Decrease in Long-Term Investments	171,996	65,138	14,279	-	-	-
Disposal of Fixed Assets	9	1	-	21	1	-
Decrease in Noncurrent Receivables	39,442	10,531	-	-	-	-
Increase in Noncurrent Payables	-	57,363	162	-	842	1,212
Increase in Contributed Capital	-	23	-	1	-	-
Increase in Compensated Absences Payable	-	20	2	-	31	3
Addition to Fund Equity Due to Prior Period Adjustments	-	-	-	-	-	3,206
Total Sources of Working Capital	214,592	133,191	16,650	(946)	2,146	4,804
USES OF WORKING CAPITAL:						
Increase in Long-Term Investments	-	50,248	12,253	-	-	-
Acquisition of Fixed Assets	-	27	4	26	1,520	-
Increase in Noncurrent Receivables	-	10,660	-	-	-	-
Decrease of Noncurrent Payables	145,068	42,302	-	6	25	-
Decrease in Compensated Absences Payable	2	2	-	9	-	-
Reduction of Fund Equity Due to Prior Period Adjustments	-	-	-	-	-	-
Reduction of Fund Equity Due to Residual Equity Transfers	-	-	-	-	30	-
Total Uses of Working Capital	145,070	103,239	12,257	41	1,575	
Net Increase (Decrease) in Working Capital	$ 69,522	$ 29,952	$ 4,393	$ (987)	$ 571	$ 4,804
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:						
Cash/Cash Equivalents	$ 68,285	$ 29,228	$ 2,001	$ (540)	$ 196	$ 148
Cash with Fiscal Agent	-	296	-	-	-	-
Receivables (Net)	(3,130)	221	(57)	8	3,418	26
Due from Other Funds	1,267	1	5	2	-	2
Inventories	-	-	-	879	380	-
Equity in Pooled Cash/Investments	-	-	2,334	-	-	4,632
Other Assets	-	-	-	(8)	9	-
Accounts Payable	4,373	183	105	(134)	(1,016)	(2)
Lottery Prizes Payable	-	-	-	-	(1,094)	-
Interfund Loans Payable	-	-	-	-	(1,230)	-
Due to Other Funds	(1,273)	4	5	(1,194)	(92)	(2)
Deferred Revenue	-	19	-	-	-	-
Net Increase (Decrease) in Working Capital	$ 69,522	$ 29,952	$ 4,393	$ (987)	$ 571	$ 4,804

FWP SNOWGROOMER RENTAL	HISTORICAL SOCIETY PUBLICATIONS	WEST YELLOWSTONE AIRPORT	HEALTH FACILITIES AUTHORITY	BEGINNING FARM LOANS	FIRE SERVICES TRAINING SCHOOL	LEAF-CUTTING BEE	TOTALS YEAR ENDED JUNE 30 1987	1986
$ 16	$ 27	$ (1)	$ 34	$ (11)	$ 2	$ (9)	$ 6,072	$ 6,152
31	2	8	3	-	-	-	184	163
47	29	7	37	(11)	2	(9)	6,256	6,315
-	-	-	-	-	-	-	251,413	4,142
-	4	-	2	-	-	-	38	75
-	-	-	-	-	-	-	49,973	33,548
-	-	-	-	-	-	-	59,579	229,295
49	-	-	-	197	-	-	270	2,274
-	1	-	-	-	-	-	57	21
-	-	-	-	-	-	-	3,206	886
96	34	7	39	186	2	(9)	370,792	276,556
-	-	-	-	-	-	-	62,501	159,087
76	14	9	7	-	-	-	1,683	637
-	-	-	-	-	-	-	10,660	8,657
-	-	-	-	-	-	-	187,401	139,650
-	4	-	3	2	-	-	22	19
-	-	-	-	-	-	-	-	3,092
-	-	-	-	-	-	-	30	10
76	18	9	10	2	-	-	262,297	311,152
$ 20	$ 16	$ (2)	$ 29	$ 184	$ 2	$ (9)	$ 108,495	$ (34,596)
$ 18	$ 30	$ -	$ 26	$ (13)	$ 3	$ (10)	$ 99,372	$ (32,341)
-	-	-	-	-	-	-	296	1,898
-	(3)	(3)	(1)	-	-	-	479	3,056
2	-	-	-	-	-	-	1,279	(1,084)
-	1	-	-	-	-	-	1,260	(1,873)
-	-	-	-	-	-	-	6,966	(2,324)
-	(1)	-	-	-	-	-	-	(437)
-	9	-	-	-	(1)	-	3,517	(2,931)
-	-	-	-	-	-	-	(1,094)	-
-	-	-	-	197	-	-	(1,033)	(59)
-	8	1	4	-	-	2	(2,537)	1,886
-	(28)	-	-	-	-	(1)	(10)	(387)
$ 20	$ 16	$ (2)	$ 29	$ 184	$ 2	$ (9)	$ 108,495	$ (34,596)

PAGE LEFT INTENTIONALLY BLANK

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for operations that provide goods or services to other agencies or programs of a government on a cost-reimbursement basis. A brief description of each Internal Service Fund follows.

Office Supplies & Equipment - Five internal service funds under the Departments of Fish, Wildlife and Parks (FWP Equipment, FWP Warehouse Inventory & FWP Office Supply) and Highways (Highway Equipment & Highways Photo/Data Processing) are used to account for inter- and intradepartmental sales and use of office supplies and equipment.

Communications - State agencies and private users are assessed a fee for their use of the State's phone system.

Admin. Insurance - The Department of Administration accounts for the State's self-insurance program (including liability, property, flood, etc.) in this fund.

Central Data Processing - State agencies are assessed a fee for their use of centralized data processing, systems design services, records storage and microfilm services provided by the Department of Administration.

Montana State Prison Ranch/Industries - These operations provide employment for inmates. Their products are primarily sold to other State institutions and local governments.

Motor Pool - State employees' transportation is provided by the Department of Highways through a pool of vehicles. Costs of operating the Motor Pool are recovered through rental rates charged to user agencies based on the average operating costs per mile for each class of vehicle.

Admin. Property & Supply - The Department of Administration accounts for intragovernmental sales of office supplies and paper products and federal surplus property sales to State agencies, local governments and certain other non-profit organizations in this fund.

Publications & Graphics - Agencies are assessed a fee for duplicating, typesetting, forms design and graphic arts services.

Buildings & Grounds - Rent proceeds from State agencies are used to pay maintenance, security and landscaping costs for State-owned property.

Local Government Audits - Political subdivisions are assessed a fee for audit services provided them by the State.

Central Services - Funds are used by the Departments of Commerce and Labor for administrative services provided on a cost recovery basis to programs within the departments.

Mail & Messenger - This fund accounts for costs associated with intrastate government mail and package delivery.

Investment Division - This fund accounts for costs associated with operations of the Board of Investments. The Board assists agencies in the investment of State funds. Costs of administering and accounting for each investment fund are allocated based on the dollar volume of investments held by user agencies.

Aircraft Operations - The Department of State Lands accounts for fees charged to users of State aircraft in this fund.

Legal Services - The Attorney General's Office and the Department of Justice charge other State agencies a fee for legal assistance. The Department of Administration funds legal services with intradepartmental fees.

Personnel Training - This fund accounts for fees charged State agencies for training State employees. The fees are used by the Department of Administration to pay instructors and purchase training materials.

OBPP Statewide Audit - This fund, administered by the Governor's Office, administers the appropriation for the Statewide audit.

PSC Audit Reimbursement - The Public Service Commission accounts for out-of-state travel in this fund.

MYTC Employee Meals - Montana Youth Treatment Center (sold in December, 1986) accounted for employee purchased meals in this fund.

STATE OF MONTANA
Combining Balance Sheet
Internal Service Funds
June 30, 1987
(Expressed in Thousands)

	HIGHWAY EQUIPMENT	COMMUNICATIONS	ADMIN. INSURANCE	CENTRAL DATA PROCESSING	PRISON RANCH
ASSETS:					
Cash/Cash Equivalents	$ 1,353	$ 2,515	$ 1,574	$ 1,305	$ 297
Cash with Fiscal Agent	-	6	-	-	-
Receivables (Net)	8	17	140	4	45
Interfund Loans Receivable	3,100	-	-	150	30
Due from Other Funds	318	601	51	664	34
Inventories	-	-	-	18	1,984
Equity in Pooled Cash/Investments	-	-	3,288	-	-
Long-Term Loans/Notes Receivable	-	-	-	12	-
Investments	-	1,585	2,083	-	-
Land	-	-	-	-	690
Buildings/Improvements	-	-	-	-	1,017
Equipment	45,439	8,974	43	7,070	926
Other Fixed Assets	-	-	-	-	-
Construction in Progress	84	-	-	-	-
Accumulated Depreciation	(17,974)	(2,970)	(13)	(4,478)	(1,001)
Intangible Assets	-	10	2	15	-
Other Assets	-	-	-	-	-
TOTAL ASSETS	$ 32,328	$ 10,738	$ 7,168	$ 4,760	$ 4,022
LIABILITIES/FUND EQUITY:					
Liabilities:					
Accounts Payable	$ 230	$ 786	$ 26	$ 242	$ 27
Interfund Loans Payable	-	150	-	-	-
Due to Other Funds	352	19	32	138	30
Deferred Revenue	-	-	-	10	-
Installment Purchase/Lease Payable	-	8,695	-	1,079	-
Property Held in Trust	-	-	-	-	-
Compensated Absences Payable	430	48	25	327	44
Total Liabilities	1,012	9,698	83	1,796	101
Fund Equity:					
Contributed Capital	1,254	35	-	-	-
Retained Earnings:					
Reserved for Insurance Claims	-	-	7,085	-	-
Unreserved	30,062	1,005	-	2,964	3,921
Total Fund Equity	31,316	1,040	7,085	2,964	3,921
TOTAL LIABILITIES/FUND EQUITY	$ 32,328	$ 10,738	$ 7,168	$ 4,760	$ 4,022

	FWP EQUIPMENT	MOTOR POOL	ADMIN. PROPERTY & SUPPLY	PUBLICATIONS & GRAPHICS	HIGHWAY PHOTO/DATA PROCESSING	BUILDINGS & GROUNDS	PRISON INDUSTRIES	LOCAL GOVERNMENT AUDITS
	$ 627	$ 292	$ 38	$ 4	$ 137	$ 616	$ 77	$ 74
	-	-	-	-	-	-	-	-
	3	3	49	1	8	2	29	211
	-	-	-	-	-	-	-	-
	109	106	114	293	223	27	112	12
	-	-	984	41	-	-	145	-
	-	-	-	-	-	-	-	-
	-	-	-	17	-	-	-	-
	-	-	-	-	-	-	-	-
	-	236	-	-	-	-	-	-
	-	-	-	11	-	-	289	-
	3,989	1,518	210	1,764	1,797	180	196	89
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	(1,830)	(739)	(76)	(1,072)	(1,166)	(93)	(209)	(31)
	-	-	19	-	1	1	-	-
	-	-	-	16	-	-	-	1
	$ 2,898	$ 1,476	$ 1,338	$ 1,065	$ 1,000	$ 733	$ 639	$ 356
	$ 231	$ 6	$ 183	$ 124	$ 14	$ 112	$ 48	$ 8
	-	-	-	-	370	-	30	-
	2	13	42	20	196	85	26	37
	-	-	-	1	-	-	12	-
	-	-	-	177	-	-	-	-
	-	-	6	-	-	-	-	-
	8	9	31	42	273	65	10	94
	241	28	262	364	853	262	126	139
	68	-	349	90	534	5	255	64
	-	-	-	-	-	-	-	-
	2,589	1,388	727	621	(387)	466	258	153
	2,657	1,388	1,076	711	147	471	513	217
	$ 2,898	$ 1,476	$ 1,338	$ 1,065	$ 1,000	$ 733	$ 639	$ 356

Continued on next page.

STATE OF MONTANA
Combining Balance Sheet - Continued
Internal Service Funds
June 30, 1987
(Expressed in Thousands)

	COMMERCE CENTRAL SERVICES	FWP WAREHOUSE INVENTORY	MAIL & MESSENGER	INVESTMENT DIVISION	AIRCRAFT OPERATION
ASSETS:					
Cash/Cash Equivalents	$ 107	$ 56	$ 75	$ 116	$ 91
Cash with Fiscal Agent	-	-	-	-	-
Receivables (Net)	-	-	1	-	-
Interfund Loans Receivable	-	-	-	-	-
Due from Other Funds	113	13	84	-	29
Inventories	-	196	-	-	-
Equity in Pooled Cash/Investments	-	-	-	-	-
Long-Term Loans/Notes Receivable	-	-	-	-	-
Investments	-	-	-	-	-
Land	-	-	-	-	-
Buildings/Improvements	-	-	-	-	-
Equipment	74	-	46	56	-
Other Fixed Assets	10	-	-	-	-
Construction in Progress	-	-	-	-	-
Accumulated Depreciation	(36)	-	(21)	(21)	-
Intangible Assets	1	-	-	-	-
Other Assets	1	-	-	-	-
TOTAL ASSETS	$ 270	$ 265	$ 185	$ 151	$ 120
LIABILITIES/FUND EQUITY:					
Liabilities:					
Accounts Payable	$ 13	$ 4	$ -	$ 16	$ 9
Interfund Loans Payable	-	-	-	-	-
Due to Other Funds	24	2	8	20	1
Deferred Revenue	1	-	-	-	-
Installment Purchase/Lease Payable	-	-	4	9	-
Property Held in Trust	118	-	-	-	-
Compensated Absences Payable	68	4	16	46	2
Total Liabilities	224	10	28	91	12
Fund Equity:					
Contributed Capital	-	75	-	-	-
Retained Earnings:					
Reserved for Insurance Claims	-	-	-	-	-
Unreserved	46	180	157	60	108
Total Fund Equity	46	255	157	60	108
TOTAL LIABILITIES/FUND EQUITY	$ 270	$ 265	$ 185	$ 151	$ 120

JUSTICE LEGAL	FWP OFFICE SUPPLY	PERSONNEL TRAINING	OBPP STATEWIDE AUDIT	PSC AUDIT REIMBURSE-MENTS	ADMIN. LEGAL	TOTALS - JUNE 30 1987	TOTALS - JUNE 30 1986
$ 22	$ 13	$ 17	$ 30	$ 4	$ 1	$ 9,441	$ 12,925
-	-	-	-	-	-	6	2,906
5	-	8	-	1	-	535	798
-	-	-	-	-	-	3,280	235
33	5	10	-	-	-	2,951	7,344
-	11	-	-	-	-	3,379	2,657
-	-	-	-	-	-	3,288	1,851
-	-	-	-	-	-	29	60
-	-	-	-	-	-	3,668	3,427
-	-	-	-	-	-	926	926
-	-	-	-	-	-	1,317	1,224
54	74	15	-	-	-	72,514	68,114
-	-	-	-	-	-	10	10
-	-	-	-	-	-	84	135
(20)	(35)	(5)	-	-	-	(31,790)	(27,825)
1	-	-	-	-	-	50	15
-	-	-	-	-	-	18	3
$ 95	$ 68	$ 45	$ 30	$ 5	$ 1	$ 69,706	$ 74,805
$ 1	$ 1	$ 1	$ -	$ -	$ -	$ 2,082	$ 2,208
-	-	-	-	-	-	550	328
7	4	6	30	-	1	1,095	4,374
-	-	-	-	-	-	24	57
-	-	-	-	-	-	9,964	12,602
-	-	4	-	-	-	128	124
32	9	11	-	-	3	1,597	1,523
40	14	22	30	-	4	15,440	21,216
-	25	1	-	-	-	2,755	1,061
-	-	-	-	-	-	7,085	10,215
55	29	22	-	5	(3)	44,426	42,313
55	54	23	-	5	(3)	54,266	53,589
$ 95	$ 68	$ 45	$ 30	$ 5	$ 1	$ 69,706	$ 74,805

STATE OF MONTANA
Combining Statement of Revenues, Expenses and Changes in Retained Earnings
Internal Service Funds
For the Fiscal Year Ended June 30, 1987
(Expressed in Thousands)

	HIGHWAY EQUIPMENT	COMMUNICATIONS	ADMIN. INSURANCE	CENTRAL DATA PROCESSING	PRISON RANCH
OPERATING REVENUES:					
Charges for Services	$ 9,019	$ 7,002	$ 2,997	$ 7,341	$ 1,253
Investment Earnings	-	194	633	-	-
Grants/Contracts/Donations	-	-	-	-	-
Other Operating Revenues	-	28	20	-	1
Total Operating Revenues	9,019	7,224	3,650	7,341	1,254
Intrafund Revenues	-	-	-	-	-
Net Operating Revenues	9,019	7,224	3,650	7,341	1,254
OPERATING EXPENSES:					
Personal Services	3,286	542	243	3,242	397
Contractual Services	243	121	1,057	107	22
Supplies/Materials	1,750	5	10	424	295
Expendable Equipment	1	42	-	18	-
Benefits	-	-	5,424	-	-
Depreciation	2,538	808	7	1,262	79
Utilities/Rent	89	17	7	682	41
Communications	36	4,701	8	285	5
Travel	24	15	16	33	4
Repair/Maintenance	1,428	2	5	456	94
Debt Service	-	860	-	121	-
Other Operating Expenses	27	4	4	43	7
Total Operating Expenses	9,422	7,117	6,781	6,673	944
Intrafund Expenses	-	-	-	-	-
Net Operating Expenses	9,422	7,117	6,781	6,673	944
Operating Income (Loss)	(403)	107	(3,131)	668	310
NONOPERATING REVENUES (EXPENSES):					
Gain (Loss) on Sale of Fixed Assets	(4)	-	-	(78)	-
Increase (Decrease) Value of Livestock	-	-	-	-	498
Federal Indirect Cost Recoveries	-	-	-	-	-
Total Nonoperating Revenues (Expenses)	(4)	-	-	(78)	498
Income (Loss) before Operating Transfers	(407)	107	(3,131)	590	808
Operating Transfers In (Out)	2,248	18	-	-	-
Net Income (Loss)	1,841	125	(3,131)	590	808
RETAINED EARNINGS - July 1 - As Previously Reported	29,347	880	10,215	2,374	3,113
Prior Period Adjustments	(1,126)	-	1	-	-
RETAINED EARNINGS - JULY 1 - As Restated	28,221	880	10,216	2,374	3,113
Residual Equity Transfers	-	-	-	-	-
RETAINED EARNINGS - JUNE 30	$ 30,062	$ 1,005	$ 7,085	$ 2,964	$ 3,921

	FWP EQUIPMENT	MOTOR POOL	ADMIN. PROPERTY & SUPPLY	PUBLICATIONS & GRAPHICS	HIGHWAY PHOTO/DATA PROCESSING	BUILDINGS & GROUNDS	PRISON INDUSTRIES	LOCAL GOVERNMENT AUDITS	COMMERCE CENTRAL SERVICES
$	1,183	$ 533	$ 2,653	$ 3,865	$ 2,461	$ 2,973	$ 718	$ 1,050	$ 98
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	10	-
	1	-	1	-	-	-	-	-	-
	1,184	533	2,654	3,865	2,461	2,973	718	1,060	98
	-	-	-	-	-	(39)	-	-	-
	1,184	533	2,654	3,865	2,461	2,934	718	1,060	98
	60	142	361	685	1,881	1,033	197	856	556
	67	37	31	34	623	900	16	28	80
	278	96	2,034	2,178	221	63	381	8	7
	1	-	1	5	-	-	-	1	-
	-	-	-	-	-	-	-	-	-
	341	236	49	286	89	14	36	22	22
	9	7	72	82	7	866	15	28	18
	1	1	16	23	21	7	5	23	12
	2	-	1	2	24	3	2	100	9
	226	33	27	306	69	70	23	7	6
	-	-	-	41	-	-	-	-	-
	1	-	14	7	81	15	12	120	11
	986	552	2,606	3,649	3,016	2,971	687	1,193	721
	-	-	-	-	-	(39)	-	-	-
	986	552	2,606	3,649	3,016	2,932	687	1,193	721
	198	(19)	48	216	(555)	2	31	(133)	(623)
	-	19	(18)	(23)	(9)	(2)	-	1	(5)
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	663
	-	19	(18)	(23)	(9)	(2)	-	1	658
	198	-	30	193	(564)	-	31	(132)	35
	-	-	-	-	-	28	-	165	-
	198	-	30	193	(564)	28	31	33	35
	2,391	1,527	663	479	62	438	227	120	9
	-	(139)	34	-	115	-	-	-	2
	2,391	1,388	697	479	177	438	227	120	11
	-	-	-	(51)	-	-	-	-	-
$	2,589	$ 1,388	$ 727	$ 621	$ (387)	$ 466	$ 258	$ 153	$ 46

Continued on next page.

STATE OF MONTANA
Combining Statement of Revenues, Expenses and Changes in Retained Earnings - Continued
Internal Service Funds
For the Fiscal Year Ended June 30, 1987
(Expressed in Thousands)

	FWP WAREHOUSE INVENTORY	MAIL & MESSENGER	INVESTMENT DIVISION	AIRCRAFT OPERATION	JUSTICE LEGAL
OPERATING REVENUES:					
Charges for Services	$ 128	$ 1,036	$ 1	$ 152	$ 413
Investment Earnings	-	-	792	-	-
Grants/Contracts/Donations	-	-	-	-	-
Other Operating Revenues	-	-	-	-	-
Total Operating Revenues	128	1,036	793	152	413
Intrafund Revenues	-	-	-	-	-
Net Operating Revenues	128	1,036	793	152	413
OPERATING EXPENSES:					
Personal Services	31	178	556	32	350
Contractual Services	3	5	119	-	42
Supplies/Materials	85	-	3	38	6
Expendable Equipment	-	-	2	-	-
Benefits	-	-	-	-	-
Depreciation	-	4	6	-	4
Utilities/Rent	1	19	43	-	8
Communications	1	773	22	-	4
Travel	-	-	12	1	15
Repair/Maintenance	-	5	3	115	3
Debt Service	-	1	2	-	-
Other Operating Expenses	-	12	4	1	-
Total Operating Expenses	121	997	772	187	432
Intrafund Expenses	-	-	-	-	-
Net Operating Expenses	121	997	772	187	432
Operating Income (Loss)	7	39	21	(35)	(19)
NONOPERATING REVENUES (EXPENSES):					
Gain (Loss) on Sale of Fixed Assets	-	-	(7)	-	-
Increase (Decrease) Value of Livestock	-	-	-	-	-
Federal Indirect Cost Recoveries	-	-	-	-	-
Total Nonoperating Revenues (Expenses)	-	-	(7)	-	-
Income (Loss) before Operating Transfers	7	39	14	(35)	(19)
Operating Transfers In (Out)	-	-	-	-	-
Net Income (Loss)	7	39	14	(35)	(19)
RETAINED EARNINGS - July 1 - As Previously Reported	173	118	33	143	74
Prior Period Adjustments	-	-	13	-	-
RETAINED EARNINGS - JULY 1 - As Restated	173	118	46	143	74
Residual Equity Transfers	-	-	-	-	-
RETAINED EARNINGS - JUNE 30	$ 180	$ 157	$ 60	$ 108	$ 55

FWP OFFICE SUPPLY	PERSONNEL TRAINING	OBPP STATEWIDE AUDIT	PSC AUDIT REIMBURSEMENTS	ADMIN. LEGAL	LABOR CENTRAL SERVICES	MYTC EMPLOYEE MEALS	TOTALS YEAR ENDED JUNE 30 1987	1986
$ 146	$ 103	$ 15	$ 15	$ 43	$ 1	$ -	$ 45,198	$ 46,457
-	-	-	-	-	-	-	1,619	1,939
-	-	-	-	-	-	-	10	-
-	1	-	-	-	-	4	52	-
146	104	15	15	43	1	4	46,879	48,396
-	-	-	-	-	-	-	(39)	-
146	104	15	15	43	1	4	46,840	48,396
68	94	-	-	41	-	-	14,831	14,597
1	24	74	-	-	1	-	3,634	3,295
75	2	-	-	-	-	4	7,959	9,379
-	-	-	-	-	-	-	71	-
-	-	-	-	-	-	-	5,424	1,405
7	1	-	-	-	-	-	5,811	4,898
1	4	-	-	1	-	-	2,017	2,267
4	7	-	-	1	-	-	5,956	6,329
-	3	-	14	-	-	-	280	-
16	1	-	-	-	-	-	2,895	3,315
-	-	-	-	-	-	-	1,025	987
1	-	-	-	-	-	-	364	1,735
173	136	74	14	43	1	4	50,267	48,207
-	-	-	-	-	-	-	(39)	-
173	136	74	14	43	1	4	50,228	48,207
(27)	(32)	(59)	1	-	-	-	(3,388)	189
(4)	-	-	-	-	-	-	(130)	54
-	-	-	-	-	-	-	498	(146)
-	-	-	-	-	-	-	663	648
(4)	-	-	-	-	-	-	1,031	556
(31)	(32)	(59)	1	-	-	-	(2,357)	745
-	32	-	-	-	-	-	2,491	3,147
(31)	-	(59)	1	-	-	-	134	3,892
60	22	59	4	(3)	-	-	52,528	45,355
-	-	-	-	-	-	-	(1,100)	3,281
60	22	59	4	(3)	-	-	51,428	48,636
-	-	-	-	-	-	-	(51)	-
$ 60	$ 22	$ 59	$ 4	$ (3)	$ -	$ -	$ 51,377	$ 48,636

STATE OF MONTANA
Combining Statement of Changes in Financial Position
Internal Service Funds
For the Fiscal Year Ended June 30, 1987
(Expressed in Thousands)

	HIGHWAY EQUIPMENT	COMMUNICATIONS	ADMIN. INSURANCE	CENTRAL DATA PROCESSING	PRISON RANCH
SOURCES OF WORKING CAPITAL:					
Operations:					
Net Income (Loss)	$ 1,841	$ 125	$ (3,131)	$ 590	$ 808
Items not Requiring Working Capital:					
Depreciation	2,538	808	7	1,262	79
Working Capital Provided by Operations	4,379	933	(3,124)	1,852	887
Decrease in Long-Term Investments	-	-	2,873	-	-
Disposal of Fixed Assets	791	3	-	83	-
Decrease in Noncurrent Receivables	-	-	-	15	-
Increase in Noncurrent Payables	-	1,875	-	-	-
Increase in Contributed Capital	1,226	54	-	-	-
Increase in Compensated Absences Payable	13	12	2	17	4
Addition to Fund Equity Due to Prior Period Adjustments	-	-	1	-	-
Total Sources of Working Capital	6,409	2,877	(248)	1,967	891
USES OF WORKING CAPITAL:					
Increase in Long-Term Investments	-	1,585	1,529	-	-
Acquisition of Fixed Assets	5,322	187	4	519	175
Decrease in Noncurrent Payables	-	2,748	-	1,437	-
Decrease in Contributed Capital	-	23	-	-	-
Decrease in Compensated Absences Payable	-	-	-	-	-
Reduction of Fund Equity Due to Prior Period Adjustments	1,126	-	-	-	-
Reduction of Fund Equity Due to Residual Equity Transfers	-	-	-	-	-
Total Uses of Working Capital	6,448	4,543	1,533	1,956	175
Net Increase (Decrease) in Working Capital	$ (39)	$ (1,666)	$ (1,781)	$ 11	$ 716
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:					
Cash/Cash Equivalents	$ (1,721)	$ 1,379	$ (2,907)	$ (88)	$ 90
Cash with Fiscal Agent	-	(2,900)	-	-	-
Receivables (Net)	(16)	(7)	(333)	2	3
Interfund Loans Receivable	2,900	-	-	150	(5)
Due from Other Funds	(4,137)	127	(8)	(13)	(4)
Inventories	-	-	-	(5)	539
Equity in Pooled Cash/Investments	-	-	1,437	-	-
Other Assets	-	-	-	(2)	-
Accounts Payable	(109)	(129)	(3)	(142)	-
Interfund Loans Payable	-	(150)	-	-	93
Due to Other Funds	3,044	14	33	111	-
Deferred Revenue	-	-	-	(2)	-
Property Held in Trust	-	-	-	-	-
Net Increase (Decrease) in Working Capital	$ (39)	$ (1,666)	$ (1,781)	$ 11	$ 716

FWP EQUIPMENT	MOTOR POOL	ADMIN. PROPERTY & SUPPLY	PUBLICATIONS & GRAPHICS	HIGHWAY PHOTO/DATA PROCESSING	BUILDINGS & GROUNDS	PRISON INDUSTRIES	LOCAL GOVERNMENT AUDITS	COMMERCE CENTRAL SERVICES
$ 198	$ -	$ 30	$ 193	$ (564)	$ 28	$ 31	$ 33	$ 35
341	236	49	286	89	14	36	22	22
539	236	79	479	(475)	42	67	55	57
-	-	-	-	-	-	-	-	-
119	203	80	28	200	2	-	3	5
-	-	-	16	-	-	-	-	-
-	-	-	1	-	-	-	-	-
-	-	390	90	41	-	-	164	-
-	-	7	1	-	5	-	15	46
-	5	106	-	115	-	-	-	2
668	444	662	615	(119)	49	67	237	110
-	-	-	-	-	-	-	-	-
568	354	196	133	258	3	13	63	23
-	-	-	323	-	-	-	-	-
-	-	41	-	106	-	-	100	-
1	1	-	-	4	-	-	1	53
-	144	72	-	-	-	-	-	-
-	-	-	51	-	-	-	-	-
569	499	309	507	368	3	13	164	76
$ 99	$ (55)	$ 353	$ 108	$ (487)	$ 46	$ 54	$ 73	$ 34
$ (9)	$ (61)	$ 2	$ (1)	$ (13)	$ 50	$ (34)	$ (17)	$ (26)
-	-	-	-	-	-	-	-	-
3	3	42	(7)	2	2	16	59	-
-	-	-	-	-	-	-	-	-
(18)	(13)	(51)	(74)	(298)	14	58	4	2
-	-	161	(7)	-	-	54	-	-
-	-	-	-	-	-	-	-	-
-	-	-	16	-	-	-	-	1
109	11	214	146	3	-	(26)	(3)	(10)
-	-	-	-	(170)	-	5	-	-
4	5	(14)	36	(11)	(20)	(12)	24	31
-	-	-	(1)	-	-	(7)	6	37
-	-	(1)	-	-	-	-	-	(1)
$ 99	$ (55)	$ 353	$ 108	$ (487)	$ 46	$ 54	$ 73	$ 34

Continued on next

STATE OF MONTANA
Combining Statement of Changes in Financial Position - Continued
Internal Service Funds
For the Fiscal Year Ended June 30, 1987
(Expressed in Thousands)

	FWP WAREHOUSE INVENTORY	MAIL & MESSENGER	INVESTMENT DIVISION	AIRCRAFT OPERATION	JUSTICE LEGAL
SOURCES OF WORKING CAPITAL:					
Operations:					
Net Income (Loss)	$ 7	$ 39	$ 14	$ (35)	$ (19)
Items not Requiring Working Capital:					
Depreciation	-	4	6	-	4
Working Capital Provided by Operations	7	43	20	(35)	(15)
Decrease in Long-Term Investments	-	-	-	-	-
Disposal of Fixed Assets	-	-	9	-	-
Decrease in Noncurrent Receivables	-	-	-	-	-
Increase in Noncurrent Payables	-	-	-	-	-
Increase in Contributed Capital	-	-	-	-	1
Increase in Compensated Absences Payable	-	1	5	1	3
Addition to Fund Equity Due to Prior Period Adjustments	-	-	13	-	-
Total Sources of Working Capital	7	44	47	(34)	(11)
USES OF WORKING CAPITAL:					
Increase in Long-Term Investments	-	-	-	-	-
Acquisition of Fixed Assets	-	-	14	-	12
Decrease in Noncurrent Payables	-	2	5	-	-
Decrease in Contributed Capital	-	-	-	-	1
Decrease in Compensated Absences Payable	-	-	-	-	-
Reduction of Fund Equity Due to Prior Period Adjustments	-	-	-	-	-
Reduction of Fund Equity Due to Residual Equity Transfers	-	-	-	-	-
Total Uses of Working Capital	-	2	19	-	13
Net Increase (Decrease) in Working Capital	$ 7	$ 42	$ 28	$ (34)	$ (24)
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:					
Cash/Cash Equivalents	$ - 19	$ 22	$ (5)	$ (93)	$ (45)
Cash with Fiscal Agent	-	-	-	-	-
Receivables (Net)	-	-	-	-	(5)
Interfund Loans Receivable	-	-	-	-	-
Due from Other Funds	(11)	14	-	8	9
Inventories	(10)	-	-	-	-
Equity in Pooled Cash/Investments	-	-	-	-	-
Other Assets	-	-	-	-	-
Accounts Payable	6	1	3	50	2
Interfund Loans Payable	-	-	-	-	-
Due to Other Funds	3	5	30	1	15
Deferred Revenue	-	-	-	-	-
Property Held in Trust	-	-	-	-	-
Net Increase (Decrease) in Working Capital	$ 7	$ 42	$ 28	$ (34)	$ (24)

FWP OFFICE SUPPLY	PERSONNEL TRAINING	OBPP - STATEWIDE AUDIT	PSC AUDIT REIMBURSE-MENTS	ADMIN. LEGAL	MYTC EMPLOYEE MEALS	TOTALS YEAR ENDED JUNE 30 1987	1986
$ (31)	$ -	$ (59)	$ 1	$ -	$ -	$ 134	$ 3,892
7	1	-	-	-	-	5,811	4,898
(24)	1	(59)	1	-	-	5,945	8,790
-	-	-	-	-	-	2,873	5,414
4	2	-	-	-	-	1,532	2,830
-	-	-	-	-	-	31	32
-	-	-	-	-	-	1,876	5,677
-	-	-	-	-	-	1,966	228
-	-	-	-	-	-	132	85
-	-	-	-	-	-	242	3,281
(20)	3	(59)	1	-	-	14,597	26,337
-	-	-	-	-	-	3,114	5,429
8	1	-	-	-	-	7,853	10,095
-	-	-	-	-	-	4,515	5,356
-	-	-	-	-	-	271	2,072
-	-	-	-	-	-	60	20
-	-	-	-	-	-	1,342	-
-	-	-	-	-	-	51	-
8	1	-	-	-	-	17,206	22,972
$ (28)	$ 2	$ (59)	$ 1	$ -	$ -	$ (2,609)	$ 3,365
$ (24)	$ (1)	$ 3	$ -	$ (2)	$ (2)	$ (3,484)	$ 2,479
-	-	-	-	-	-	(2,900)	(674)
-	4	(32)	1	-	-	(263)	(78)
-	-	-	-	-	-	3,045	195
1	(3)	-	-	-	-	(4,393)	2,828
(10)	-	-	-	-	-	722	1,252
-	-	-	-	-	-	1,437	1,240
-	-	-	-	-	-	15	(184)
1	2	-	-	-	-	126	(833)
-	-	-	-	-	-	(222)	(185)
4	2	(30)	-	2	2	3,279	(2,692)
-	-	-	-	-	-	33	(6)
-	(2)	-	-	-	-	(4)	23
$ (28)	$ 2	$ (59)	$ 1	$ -	$ -	$ (2,609)	$ 3,365

TRUST AND AGENCY FUNDS

To account for assets held by the State in a trustee capacity or as an agent for individuals, private organizations, other governments or other funds. These include: (1) Expendable Trust Funds; (2) Nonexpendable Trust Funds; (3) Pension Trust Funds; and (4) Agency Funds.

STATE OF MONTANA
Combining Balance Sheet
All Trust and Agency Fund Types
June 30, 1987
(Expressed in Thousands)

	EXPENDABLE TRUSTS	NON-EXPENDABLE TRUSTS	PENSION TRUSTS	AGENCY	TOTALS - JUNE 30 1987	1986
ASSETS:						
Cash/Cash Equivalents	$ 34,613	$ 16,568	$ 3,405	$ 44,591	$ 99,177	$ 518,221
Receivables (Net)	35,096	7,750	30,757	4,377	77,980	62,129
Interfund Loans Receivable	237	-	50	-	287	3,237
Due from Other Governments	-	-	-	109	109	257
Due from Other Funds	1,980	15,147	9,538	13,319	39,984	38,653
Inventories	-	-	-	-	-	6
Equity in Pooled Cash/Investments	22,500	68,317	218,363	274,423	583,603	372,311
Long-Term Loans Receivable	1,555	22,766	-	-	24,321	15,253
Investments	35,104	539,706	968,784	40,213	1,583,807	1,454,751
Deferred (Gains) Losses	-	-	16,796	-	16,796	21,618
Land	-	49,399	60	-	49,459	49,459
Buildings/Improvements	-	-	341	-	341	341
Equipment	-	-	169	-	169	152
Accumulated Depreciation	-	-	(216)	-	(216)	(192)
Other Assets	7,496	-	-	16,149	23,645	22,022
TOTAL ASSETS	$ 138,581	$ 719,653	$ 1,248,047	$ 393,181	$ 2,499,462	$ 2,558,218
LIABILITIES/FUND BALANCES:						
Liabilities:						
Accounts Payable	$ 1,402	$ 5,076	$ 1,553	$ 535	$ 8,566	$ 4,288
Interfund Loans Payable	1	32	50	25	108	-
Due to Other Governments	-	-	-	51,037	51,037	20,097
Due to Other Funds	21,975	11,923	1,866	30,979	66,743	56,459
Deferred Revenue	2,422	403	2	-	2,827	2,407
Property Held in Trust	14,360	-	-	309,133	323,493	569,153
Compensated Absences Payable	-	-	72	-	72	81
Other Liabilities	-	-	1	1,472	1,473	24,700
Total Liabilities	40,160	17,434	3,544	393,181	454,319	677,185
Fund Balances:						
Reserved for:						
Long-Term Loans	1,780	-	-	-	1,780	1,683
Trust Principal	-	702,211	-	-	702,211	688,120
Retirement Systems	-	-	1,244,503	-	1,244,503	1,100,405
Unreserved	96,641	8	-	-	96,649	90,825
Total Fund Balances	98,421	702,219	1,244,503	-	2,045,143	1,881,033
TOTAL LIABILITIES/FUND BALANCES	$ 138,581	$ 719,653	$ 1,248,047	$ 393,181	$ 2,499,462	$ 2,558,218

PAGE LEFT INTENTIONALLY BLANK

EXPENDABLE TRUST FUNDS

Expendable Trust Funds are used to account for assets held by the State in a trustee capacity, where both the trust principal and earnings may be expended. A brief description of each Expendable Trust Fund follows.

State Compensation Insurance - This fund accounts for (1) employer contributions to the State-operated workers' compensation insurance system; (2) penalties assessed employers who do not carry workers' compensation insurance; and (3) the payment of benefits to injured workers. Administrative costs of operating the fund are paid from a Special Revenue Fund.

Unemployment Insurance - This fund accounts for employer contributions deposited with the Secretary of the Treasury of the United States to the credit of Montana's unemployment trust fund. Unemployment benefits are paid from this fund to eligible recipients. Administrative costs are paid from a Special Revenue Fund.

Coal Tax Trust - The Department of Commerce accounts for interest earned on the Instate Investment Fund in this fund.

Hail Insurance - Any taxpayer engaged in the growing of crops subject to destruction by hail may participate in the State's hail insurance program. This fund accounts for premium assessments on crop acreage insured, administrative costs and benefits paid by the Department of Agriculture.

BN Geraldine Settlement - Deposits from a lawsuit settlement and investment earnings from a Nonexpendable Trust Fund of the same name are to be used for restructuring the Geraldine-Lewistown Line.

Rural Development - This fund accounts for programs authorized under the Bankhead Jones Farm Tenant Act. Resources are used by the Department of Agriculture for the purpose of aiding low income rural families.

Resource Indemnity - Department of Revenue accounts for all investment earnings of the resource indemnity tax trust in this fund.

Historical Society General Trust - Deposits of the principal amounts of various stocks donated by numerous contributors in trust to the Society and the Charles Bair Memorial are accounted for in this fund. The principal can be expended for acquisitions approved by the Board of Trustees.

Woodville Highway Replacement - This fund accounts for money paid to the Montana Department of Highways by the Anaconda Company to provide the government of Butte-Silver Bow with traffic facilities to replace the abandoned portion of U.S. Highway 91.

Coast Trading Trust - This trust accounts for the money from the Coast Trading bankruptcy. Once the lawsuit is settled, the trust will be distributed to the proper claimants.

Fullam Estate - This fund accounts for money bequested to the Teachers' Retirement System to be used for the benefit of retired teachers.

School for Deaf & Blind - The School accounts for private donations in this fund.

State Library Trust - This fund accounts for a bequest from the estate of a former patron to be expended as needed to benefit services for the blind and physically handicapped.

STATE OF MONTANA
Combining Balance Sheet
Expendable Trust Funds
June 30, 1987
(Expressed in Thousands)

	STATE COMPENSATION INSURANCE	UNEMPLOYMENT INSURANCE	COAL TAX TRUST	HAIL INSURANCE	BN GERALDINE SETTLEMENT
ASSETS:					
Cash/Cash Equivalents	$ 1,647	$ 32,509	$ -	$ 308	$ 18
Receivables (Net)	20,018	3,970	7,585	2,294	1
Interfund Loans Receivable	-	237	-	-	-
Due from Other Funds	44	-	1,632	-	1
Equity in Pooled Cash/Investments	2,536	-	12,693	3,293	2,726
Long-Term Loans/Notes Receivable	-	-	-	-	-
Investments	34,754	-	-	350	-
Other Assets	7,351	-	-	-	145
TOTAL ASSETS	$ 66,350	$ 36,716	$ 21,910	$ 6,245	$ 2,891
LIABILITIES/FUND BALANCES:					
Liabilities:					
Accounts Payable	$ 723	$ 647	$ -	$ 30	$ -
Interfund Loans Payable	-	-	-	-	-
Due to Other Funds	53	-	20,685	6	-
Deferred Revenue	2	132	-	2,288	-
Property Held in Trust	14,180	-	-	-	-
Total Liabilities	14,958	779	20,685	2,324	-
Fund Balances:					
Reserved for Long-Term Loans	-	237	-	-	-
Unreserved	51,392	35,700	1,225	3,921	2,891
Total Fund Balances	51,392	35,937	1,225	3,921	2,891
TOTAL LIABILITIES/FUND BALANCES	$ 66,350	$ 36,716	$ 21,910	$ 6,245	$ 2,891

RURAL DEVELOPMENT	RESOURCE INDEMNITY	HISTORICAL SOCIETY GENERAL TRUST	WOODVILLE HIGHWAY	COAST TRADING TRUST	FULLAM ESTATE	TOTALS - JUNE 30 1987	1986
$ 78	$ 31	$ 12	$ 4	$ 5	$ 1	$ 34,613	$ 21,600
-	1,228	-	-	-	-	35,096	32,891
-	-	-	-	-	-	237	237
-	301	-	-	-	2	1,980	733
392	-	356	239	204	61	22,500	7,818
1,555	-	-	-	-	-	1,555	1,683
-	-	-	-	-	-	35,104	47,204
-	-	-	-	-	-	7,496	6,322
$ 2,025	$ 1,560	$ 368	$ 243	$ 209	$ 64	$ 138,581	$ 118,488
$ -	$ -	$ -	$ 2	$ -	$ -	$ 1,402	$ 1,032
-	1	-	-	-	-	1	
3	1,228	-	-	-	-	21,975	9,227
-	-	-	-	-	-	2,422	2,380
-	-	-	-	180	-	14,360	12,991
$ 3	$ 1,229	$ -	$ 2	$ 180	$ -	$ 40,160	$ 25,630
1,543	-	-	-	-	-	1,780	1,683
479	331	368	241	29	64	96,641	91,175
$ 2,022	$ 331	$ 368	$ 241	$ 29	$ 64	$ 98,421	$ 92,858
$ 2,025	$ 1,560	$ 368	$ 243	$ 209	$ 64	$ 138,581	$ 118,488

STATE OF MONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Expendable Trust Funds
For the Fiscal Year Ended June 30, 1987
(Expressed in Thousands)

	STATE COMPENSATION INSURANCE	UNEMPLOYMENT INSURANCE	COAL TAX TRUST	HAIL INSURANCE	BN GERALDINE SETTLEMENT
REVENUES:					
Charges for Services/Fines/Forfeits	$ 397	$ -	$ 162	$ 1,164	$ -
Investment Earnings	6,023	-	38,015	258	388
Sale of Documents/Mdse./Property	-	-	-	-	-
Contributions/Premiums	70,161	60,678	-	-	-
Grants/Contracts/Donations	-	-	-	-	-
Federal	-	2,315	-	-	-
Other Revenues	-	-	1,091	-	-
Total Revenues	76,581	62,993	39,268	1,422	388
EXPENDITURES:					
Current:					
General Government	-	-	-	-	-
Transportation	-	-	-	-	295
Education/Cultural	-	-	-	-	-
Economic Develoment/Assistance	79,715	50,412	-	1,403	-
Capital Outlay	-	-	-	3	-
Total Expenditures	79,715	50,412	-	1,406	295
Excess of Revenues Over (Under) Expenditures	(3,134)	12,581	39,268	16	93
OTHER FINANCING SOURCES (USES):					
Operating Transfers In	-	-	-	-	-
Operating Transfers Out	(6,249)	-	(38,108)	-	-
Total Other Financing Sources (Uses)	(6,249)	-	(38,108)	-	-
Excess of Revenues/Other Sources Over (Under) Expenditures/ Other Uses	(9,383)	12,581	1,160	16	93
FUND BALANCES - JULY 1 - As Previously Reported	60,775	23,356	65	3,905	2,336
Prior Period Adjustments	-	-	-	-	462
FUND BALANCES - JULY 1 - As Restated	60,775	23,356	65	3,905	2,798
FUND BALANCES - JUNE 30	$ 51,392	$ 35,937	$ 1,225	$ 3,921	$ 2,891

RURAL DEVELOPMENT	RESOURCE INDEMNITY	HISTORICAL SOCIETY GENERAL TRUST	WOODVILLE HIGHWAY	COAST TRADING TRUST	FULLAM ESTATE	SCHOOL FOR DEAF & BLIND	STATE LIBRARY TRUST	TOTALS YEAR ENDED JUNE 30 1987	1986
$ 1	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,724	$ 2,139
155	7,312	13	1	11	4	-	-	52,180	46,187
-	-	-	-	-	-	-	-	-	2
-	-	-	-	-	-	-	-	130,839	127,725
3	-	-	-	-	-	27	-	30	4
-	-	-	-	-	-	-	-	2,315	867
-	-	-	-	-	-	-	-	1,091	9,866
159	7,312	13	1	11	4	27	-	188,179	186,790
-	-	-	-	-	-	-	-	-	4
-	-	-	147	-	-	-	-	442	1,774
-	-	-	-	-	-	27	-	27	3
70	-	-	-	-	-	-	-	131,600	123,837
2	-	1	-	-	-	-	2	8	2
72	-	1	147	-	-	27	2	132,077	125,620
87	7,312	12	(146)	11	4	-	(2)	56,102	61,170
-	-	-	-	-	-	-	-	-	3
-	(6,981)	-	-	-	-	-	-	(51,338)	(51,463)
-	(6,981)	-	-	-	-	-	-	(51,338)	(51,460)
87	331	12	(146)	11	4	-	(2)	4,764	9,710
1,935	-	19	387	18	60	-	2	92,858	83,929
-	-	337	-	-	-	-	-	799	(781)
1,935	-	356	387	18	60	-	2	93,657	83,148
$ 2,022	$ 331	$ 368	$ 241	$ 29	$ 64	$ -	$ -	$ 98,421	$ 92,858

PAGE LEFT INTENTIONALLY BLANK

NONEXPENDABLE TRUST FUNDS

Nonexpendable Trust Funds are used to account for assets held by the State in a trustee capacity, where the trust principal may not be expended. A brief description of each Nonexpendable Trust Fund follows.

Permanent Coal Tax Trust - This fund, created by Article IX, Section 5 of the Montana Constitution and administered by the Department of Revenue, receives 50% of all coal tax collections. Principal may be expended only upon affirmative vote by three-fourths of each house of the Legislature.

Land Grants - The Department of State Lands accounts for lands granted to the State for support of public schools and State institutions in this fund.

Resource Indemnity - Taxes paid by persons engaging in or carrying on the business of mining, extracting or producing a mineral are deposited in this fund. Only the net earnings of the trust may be appropriated until the principal reaches $100 million. Interest earnings are expended from a Special Revenue Fund. This fund is administered by the Department of Revenue.

Education Trust - The Department of Commerce administers this fund which receives 18.75% of all coal tax collections. The fund principal is held in trust for the purpose of supporting public schools, vocational-technical centers and the university system in the State.

Parks, Cultural and Aesthetic Projects - Two and one-half percent of coal taxes are credited to this fund by the Department of Revenue. Interest income from the trust is recorded in a Special Revenue Fund and is used for cultural and aesthetic projects through the Montana Arts Council and for the acquisition and maintenance of parks by the Department of Fish, Wildlife and Parks.

BN Geraldine Settlement - Money is held in trust to ensure the availability of funds to pay Burlington Northern (BN) after a three year time period mandated by settlement of a lawsuit. Investment earnings are transferred to an Expendable Trust Fund of the same name.

Real Property Trust - Money received by the Department of Fish, Wildlife and Parks from the sale of real property, from exploration and development of oil, gas and mineral deposits and from lease of department real property is deposited in this fund. Interest is recorded in a Special Revenue Fund and used for developing and maintaining real property of the department.

Noxious Weed Management - The Department of Agriculture accounts for revenues and interest earned on fees charged for the control of noxious weeds in this fund.

Historical Society - Three funds (Jim Bradley Memorial, Thomas Teakle and Merritt Wheeler) account for memorials, bequests and various other contributions to the Montana Historical Society. Investment income is either expended from a Special Revenue Fund, Expendable Trust Fund or added to the principal. The Charles Bair Trust is now reported as an Expendable Trust Fund.

STATE OF MONTANA
Combining Balance Sheet
Nonexpendable Trust Funds
June 30, 1987
(Expressed in Thousands)

	PERMANENT COAL TAX	LAND GRANTS	RESOURCE INDEMNITY	EDUCATION	PARKS, CULTURAL, AESTHETIC PROJECTS
ASSETS:					
Cash/Cash Equivalents	$ 1,949	$ 13,662	$ -	$ 396	$ 231
Receivables (Net)	133	5,642	522	1,265	2
Due from Other Funds	12,189	2,903	1	-	53
Equity in Pooled Cash/Investments	51,234	-	8,657	3,666	928
Long-Term Loans/Notes Receivable	22,387	379	-	-	-
Investments	249,984	183,221	48,417	41,656	15,399
Land	-	49,399	-	-	-
TOTAL ASSETS	$ 337,876	$ 255,206	$ 57,597	$ 46,983	$ 16,613
LIABILITIES/FUND BALANCES:					
Liabilities:					
Accounts Payable	$ -	$ 5,076	$ -	$ -	$ -
Interfund Loans Payable	-	-	32	-	-
Due to Other Funds	1,509	7,219	300	2,892	-
Deferred Revenue	-	-	403	-	-
Total Liabilities	1,509	12,295	735	2,892	-
Fund Balances:					
Reserved for Trust Principal	336,367	242,911	56,862	44,091	16,613
Unreserved	-	-	-	-	-
Total Fund Balances	336,367	242,911	56,862	44,091	16,613
TOTAL LIABILITIES/FUND BALANCES	$ 337,876	$ 255,206	$ 57,597	$ 46,983	$ 16,613

BN GERALDINE SETTLEMENT	REAL PROPERTY	NOXIOUS WEED MANAGEMENT	JIM BRADLEY MEMORIAL	THOMAS TEAKLE	MERRITT-WHEELER MEMORIAL	TOTALS - JUNE 30 1987	1986
$ -	$ 7	$ 308	$ 11	$ 2	$ 2	$ 16,568	$ 5,578
-	-	186	-	-	-	7,750	1,016
-	1	-	-	-	-	15,147	2,934
3,001	688	41	47	42	13	68,317	237,659
-	-	-	-	-	-	22,766	13,570
-	739	290	-	-	-	539,706	381,386
-	-	-	-	-	-	49,399	49,399
$ 3,001	$ 1,435	$ 825	$ 58	$ 44	$ 15	$ 719,653	$ 691,542
$ -	$ -	$ -	$ -	$ -	$ -	$ 5,076	$ -
-	-	-	-	-	-	32	-
1	2	-	-	-	-	11,923	3,745
-	-	-	-	-	-	403	27
1	2	-	-	-	-	17,434	3,772
3,000	1,433	825	50	44	15	702,211	688,120
-	-	-	8	-	-	8	(350)
3,000	1,433	825	58	44	15	702,219	687,770
$ 3,001	$ 1,435	$ 825	$ 58	$ 44	$ 15	$ 719,653	$ 691,542

STATE OF MONTANA
Combining Statement of Revenues, Expenses and Changes in Fund Balances
Nonexpendable Trust Funds
For the Fiscal Year Ended June 30, 1987
(Expressed in Thousands)

	PERMANENT COAL TAX	LAND GRANTS	RESOURCE INDEMNITY	EDUCATION	PARKS, CULTURAL, AESTHETIC PROJECTS
OPERATING REVENUES:					
Charges for Services	$ 69	$ 1,537	$ -	$ -	$ -
Investment Earnings	432	39,165	-	10,416	-
Taxes	-	-	3,822	-	391
Rentals/Leases/Royalties	-	5,633	-	-	-
Grants/Contracts/Donations	-	469	-	-	-
Other Operating Revenues	-	-	-	39	-
Total Operating Revenues	501	46,804	3,822	10,455	391
NONOPERATING REVENUES (EXPENSES):					
Net Gain on Investment Transactions	-	1,102	-	3,805	-
Federal Indirect Cost Recoveries	-	-	-	-	-
Other Nonoperating Revenues (Expenses)	-	-	-	-	-
Total Nonoperating Revenues (Expenses)	-	1,102	-	3,805	-
Income (Loss) before Operating Transfers	501	47,906	3,822	14,260	391
Operating Transfers In (Out)	35,629	(37,295)	-	(14,745)	-
Net Income (Loss)	36,130	10,611	3,822	(485)	391
FUND BALANCES - JULY 1 - As Previously Reported	301,267	232,323	53,040	79,762	16,222
Prior Period Adjustments	(1,030)	-	-	-	-
FUND BALANCES - JULY 1 - As Restated	300,237	232,323	53,040	79,762	16,222
Residual Equity Transfers	-	(23)	-	(35,186)	-
FUND BALANCES - JUNE 30	$ 336,367	$ 242,911	$ 56,862	$ 44,091	$ 16,613

BN GERALDINE SETTLEMENT	REAL PROPERTY	NOXIOUS WEED MANAGEMENT	JIM BRADLEY MEMORIAL	THOMAS TEAKLE	MERRITT-WHEELER MEMORIAL	CHARLES BAIR	TOTALS YEAR ENDED JUNE 30 1987	1986
$ -	$ 192	$ -	$ -	$ -	$ -	$ -	$ 1,798	$ 1,459
-	-	41	4	1	1	-	50,060	9,832
-	-	127	-	-	-	-	4,340	16,663
-	56	-	-	-	-	-	5,689	6,203
-	-	214	-	-	-	-	683	742
-	-	-	-	-	-	-	39	2,101
-	248	382	4	1	1	-	62,609	37,000
-	-	-	-	-	-	-	4,907	6,426
-	-	-	-	-	-	-	-	12
-	-	-	-	-	-	-	-	(2)
-	-	-	-	-	-	-	4,907	6,436
-	248	382	4	1	1	-	67,516	43,436
-	-	-	-	-	-	-	(16,411)	33,545
-	248	382	4	1	1	-	51,105	76,981
3,000	1,185	443	54	43	14	417	687,770	618,975
-	-	-	-	-	-	(417)	(1,447)	(8,176)
3,000	1,185	443	54	43	14	-	686,323	610,799
-	-	-	-	-	-	-	(35,209)	(10)
$ 3,000	$ 1,433	$ 825	$ 58	$ 44	$ 15	$ -	$ 702,219	$ 687,770

STATE OF MONTANA
Combining Statement of Changes in Financial Position
Nonexpendable Trust Funds
For the Fiscal Year Ended June 30, 1987
(Expressed in Thousands)

	PERMANENT COAL TAX	LAND GRANTS	RESOURCE INDEMNITY	EDUCATION	PARKS, CULTURAL, AESTHETIC PROJECTS
SOURCES OF WORKING CAPITAL:					
Operations:					
Net Income (Loss)	$ 36,130	$ 10,611	$ 3,822	$ (485)	$ 391
Working Capital Provided by Operations	36,130	10,611	3,822	(485)	391
Decrease in Long-Term Investments	113,015	75,088	21,698	66,411	6,401
Decrease in Noncurrent Receivables	3,127	73	-	-	-
Addition to Fund Equity Due to Prior Period Adjustments	-	-	-	-	-
Total Sources of Working Capital	152,272	85,772	25,520	65,926	6,792
USES OF WORKING CAPITAL:					
Increase in Long-Term Invesments	120,583	258,309	21,156	35,106	8,776
Increase in Noncurrent Receivables	12,396	-	-	-	-
Reduction of Fund Equity Due to Prior Period Adjustments	1,030	-	-	-	-
Reduction of Fund Equity Due to Residual Equity Transfers	-	23	-	35,186	-
Total Uses of Working Capital	134,009	258,332	21,156	70,292	8,776
Net Increase (Decrease) in Working Capital	$ 18,263	$ (172,560)	$ 4,364	$ (4,366)	$ (1,984)
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:					
Cash/Cash Equivalents	$ 1,303	$ 13,631	$ (34)	$ (3,568)	$ 224
Receivables (Net)	(180)	5,416	437	1,011	(23)
Due from Other Funds	10,875	1,322	(10)	-	25
Equity in Pooled Cash/Investments	7,353	(182,243)	4,557	(482)	(2,232)
Accounts Payable	-	(5,076)	-	-	-
Interfund Loans Payable	-	-	(32)	-	-
Due to Other Funds	(1,088)	(5,610)	(178)	(1,327)	22
Deferred Revenue	-	-	(376)	-	-
Net Increase (Decrease) in Working Capital	$ 18,263	$ (172,560)	$ 4,364	$ (4,366)	$ (1,984)

BN GERALDINE SETTLEMENT	REAL PROPERTY	NOXIOUS WEED MANAGEMENT	JIM BRADLEY MEMORIAL	THOMAS TEAKLE	MERRITT-WHEELER MEMORIAL	CHARLES BAIR	TOTALS YEAR ENDED JUNE 30 1987	1986
$ -	$ 248	$ 382	$ 4	$ 1	$ 1	$ -	$ 51,105	$ 76,981
-	248	382	4	1	1	-	51,105	76,981
3,249	2,112	386	-	-	-	-	288,360	286,222
-	-	-	-	-	-	-	3,200	3,115
-	-	-	-	-	-	-	-	1,530
3,249	2,360	768	4	1	1	-	342,665	367,848
250	2,114	386	-	-	-	-	446,680	330,056
-	-	-	-	-	-	-	12,396	12,968
-	-	-	-	-	-	417	1,447	9,706
-	-	-	-	-	-	-	35,209	10
250	2,114	386	-	-	-	417	495,732	352,740
$ 2,999	$ 246	$ 382	$ 4	$ 1	$ 1	$ (417)	$ (153,067)	$ 15,108
$ -	$ (440)	$ 266	$ 5	$ (2)	$ (1)	$ (394)	$ 10,990	$ 639
-	(1)	75	-	-	-	(1)	6,734	(1,347)
-	1	-	-	-	-	-	12,213	(1,931)
2,997	688	41	(1)	-	2	(22)	(169,342)	13,815
-	-	-	-	-	-	-	(5,076)	-
-	-	-	-	-	-	-	(32)	-
2	(2)	-	-	3	-	-	(8,178)	3,872
-	-	-	-	-	-	-	(376)	60
$ 2,999	$ 246	$ 382	$ 4	$ 1	$ 1	$ (417)	$ (153,067)	$ 15,108

PAGE LEFT INTENTIONALLY BLANK

PENSION TRUST FUNDS

The Pension Trust Funds are used to account for public employee retirement systems. A brief description of each Pension Trust Fund follows.

Public Employees' Retirement System (PERS) - This fund accounts for the accumulation of resources used to pay retirement, disability and death benefits to qualified public employees. This fund also accounts for the administrative costs of the Public Employees' Retirement Division, Department of Administration, which administers the activities of PERS and the following seven retirement systems. These costs are paid from investment earnings on public employee social security withholdings. The system is funded from employer and employee contributions.

Teachers' Retirement System - This fund accounts for resources used and the administrative costs of providing financial benefits to members of the public teaching profession after their retirement or upon becoming disabled. The system is funded from employer and employee contributions.

Municipal Police Officers' Retirement System - This fund accounts for resources used to pay retirement, disability and death benefits to qualifying police officers employed by first and second class cities. The system is funded from member, State and city contributions.

Unified Firefighters' Retirement System - This fund accounts for the accumulation of resources used to pay retirement, disability and death benefits to firefighters employed by first and second class cities and other cities electing coverage. In addition to employer and employee contributions, the State contributes a portion of insurance premium taxes collected.

Sheriff's Retirement System - This fund accounts for member and county contributions to pay retirement, disability and death benefits to qualifying sheriffs.

Highway Patrolmen's Retirement System - This fund accounts for member and State contributions to pay retirement, disability and death benefits to qualifying highway patrolmen.

Judges' Retirement System - This fund accounts for member and State contributions used to pay retirement, disability and death benefits to Montana's judges. The system is also funded from a percentage of court fees collected.

Game Wardens' Retirement System - This fund accounts for the accumulation of resources used to pay retirement, disability and death benefits to game wardens employed by the State. In addition to employer and employee contributions, this fund receives fines and forfeitures generated from fish and wildlife violations.

Volunteer Firefighters' of Unincorporated Areas Retirement System - This fund accounts for benefit payments to qualified volunteer firefighters. Benefit payments are based upon the amount of insurance premium taxes collected in the preceding year.

STATE OF MONTANA
Combining Balance Sheet
Pension Trust Funds
June 30, 1987
(Expressed in Thousands)

	PERS	TEACHERS	MUNICIPAL POLICE	FIREFIGHTERS UNIFIED	SHERIFFS
ASSETS:					
Cash/Cash Equivalents	$ 1,189	$ 982	$ 193	$ 640	$ 104
Receivables (Net)	13,735	13,994	737	608	678
Interfund Loans Receivable	-	-	-	40	10
Due from Other Funds	2,835	353	2,507	3,033	194
Inventories	-	-	-	-	-
Equity in Pooled Cash/Investments	120,125	86,886	1,594	3,023	2,335
Investments	482,050	396,783	20,311	16,486	19,082
Deferred (Gains) Losses	10,922	5,266	159	(243)	153
Land	25	35	-	-	-
Buildings/Improvements	183	158	-	-	-
Equipment	117	52	-	-	-
Accumulated Depreciation	(130)	(86)	-	-	-
TOTAL ASSETS	$ 631,051	$ 504,423	$ 25,501	$ 23,587	$ 22,556
LIABILITIES/FUND BALANCES:					
Liabilities:					
Accounts Payable	$ 663	$ 819	$ -	$ -	$ 63
Interfund Loans Payable	-	-	-	-	-
Due to Other Funds	1,575	8	21	21	14
Deferred Revenue	2	-	-	-	-
Property Held in Trust	-	-	-	-	-
Compensated Absences Payable	52	20	-	-	-
Other Liabilities	-	1	-	-	-
Total Liabilities	2,292	848	21	21	77
Fund Balances:					
Reserved for Retirement Systems	628,759	503,575	25,480	23,566	22,479
Total Fund Balances	628,759	503,575	25,480	23,566	22,479
TOTAL LIABILITIES/FUND BALANCES	$ 631,051	$ 504,423	$ 25,501	$ 23,587	$ 22,556

HIGHWAY PATROL	JUDGES	GAME WARDENS	VOLUNTEER FIREFIGHTERS	TOTALS - JUNE 30 1987	1986
$ 203	$ 61	$ 28	$ 5	$ 3,405	$ 101,805
447	209	213	136	30,757	27,974
-	-	-	-	50	-
48	71	13	484	9,538	7,540
-	-	-	-	-	6
2,057	1,207	1,130	6	218,363	126,801
15,602	7,422	6,434	4,614	968,784	816,026
300	52	127	60	16,796	21,618
-	-	-	-	60	60
-	-	-	-	341	341
-	-	-	-	169	152
-	-	-	-	(216)	(192)
$ 18,657	$ 9,022	$ 7,945	$ 5,305	$ 1,248,047	$ 1,102,131
$ 8	$ -	$ -	$ -	$ 1,553	$ 1,536
10	-	-	40	50	-
203	3	4	17	1,866	58
-	-	-	-	2	-
-	-	-	-	-	51
-	-	-	-	72	81
-	-	-	-	1	-
221	3	4	57	3,544	1,726
18,436	9,019	7,941	5,248	1,244,503	1,100,405
18,436	9,019	7,941	5,248	1,244,503	1,100,405
$ 18,657	$ 9,022	$ 7,945	$ 5,305	$ 1,248,047	$ 1,102,131

STATE OF MONTANA
Combining Statement of Revenues, Expenses and Changes in Fund Balances
Pension Trust Funds
For the Fiscal Year Ended June 30, 1987
(Expressed in Thousands)

	PERS	TEACHERS	MUNICIPAL POLICE	FIREFIGHTERS UNIFIED	SHERIFFS
OPERATING REVENUES:					
Charges for Services	$ -	$ -	$ -	$ -	$ -
Investment Earnings	63,238	48,627	2,514	1,997	2,247
Contributions/Premiums	54,840	57,340	4,375	4,798	1,727
Other Operating Revenues	-	36	-	-	-
Total Operating Revenues	118,078	106,003	6,889	6,795	3,974
Intrafund Revenues	(221)	-	-	-	-
Net Operating Revenues	117,857	106,003	6,889	6,795	3,974
OPERATING EXPENSES:					
Personal Services	489	235	-	-	-
Contractual Services	124	179	-	-	-
Supplies/Materials	12	7	-	-	-
Expendable Equipment	2	-	-	-	-
Benefits	39,050	40,537	3,697	3,730	384
Refunds	8,545	4,741	46	33	577
Depreciation	16	7	-	-	-
Utilities/Rent	21	27	-	-	-
Communications	45	26	-	-	-
Travel	7	6	-	-	-
Repair/Maintenance	16	16	-	-	-
Other Operating Expenses	4	1	21	21	15
Total Operating Expenses	48,331	45,782	3,764	3,784	976
Intrafund Expenses	(221)	-	-	-	-
Net Operating Expenses	48,110	45,782	3,764	3,784	976
Operating Income (Loss)	69,747	60,221	3,125	3,011	2,998
NONOPERATING REVENUES (EXPENSES):					
Gain (Loss) Sale of Fixed Assets	(2)	-	-	-	-
Total Nonoperating Revenues (Expenses)	(2)	-	-	-	-
Income (Loss) Before Operating Transfers	69,745	60,221	3,125	3,011	2,998
Operating Transfers In (Out)	-	-	-	-	-
Net Income (Loss)	69,745	60,221	3,125	3,011	2,998
FUND BALANCES - JULY 1 - As Previously Reported	559,012	443,350	22,355	20,555	19,481
Prior Period Adjustments	2	4	-	-	-
FUND BALANCES - JULY 1 - As Restated	559,014	443,354	22,355	20,555	19,481
FUND BALANCES - JUNE 30	$ 628,759	$ 503,575	$ 25,480	$ 23,566	$ 22,479

HIGHWAY PATROL	JUDGES	GAME WARDENS	VOLUNTEER FIREFIGHTERS	TOTALS YEAR ENDED JUNE 30 1987	1986
$ 655	$ -	$ -	$ -	$ 655	$ 651
1,778	877	736	533	122,547	114,115
1,339	709	584	468	126,180	123,117
-	-	-	-	36	35
3,772	1,586	1,320	1,001	249,418	237,918
-	-	-	-	(221)	-
-	-	-	-	-	-
-	-	-	-	724	605
-	-	-	-	303	223
-	-	-	-	19	27
-	-	-	-	2	-
1,159	436	409	518	89,920	84,324
34	23	57	-	14,056	13,009
-	-	-	-	23	18
-	-	-	-	48	45
-	-	-	-	71	65
-	-	-	-	13	-
-	-	-	-	32	22
9	3	4	35	113	27
1,202	462	470	553	105,324	98,365
-	-	-	-	(221)	-
-	-	-	-	-	-
2,570	1,124	850	448	144,094	139,553
-	-	-	-	(2)	(7)
-	-	-	-	(2)	(7)
2,570	1,124	850	448	144,092	139,546
-	-	-	-	-	86
-	-	-	-	-	-
15,866	7,895	7,091	4,800	1,100,405	960,769
-	-	-	-	6	4
15,866	7,895	7,091	4,800	1,100,411	960,773
-	-	-	-	-	-

STATE OF MONTANA
Combining Statement of Changes in Financial Position
Pension Trust Funds
For the Fiscal Year Ended June 30, 1987

	PERS	TEACHERS	MUNICIPAL POLICE	FIREFIGHTERS UNIFIED	SHERIFFS
SOURCES OF WORKING CAPITAL:					
Operations:					
Net Income (Loss)	$ 69,745	$ 60,221	$ 3,125	$ 3,011	$ 2,998
Items Not Requiring Working Capital:					
Depreciation	16	7	-	-	-
Amortization of Net (Gain) Loss on Securities Exchanged	999	1,123	1	(32)	(5)
Working Capital Provided by Operations	70,760	61,351	3,126	2,979	2,993
Decrease in Long-Term Investments	170,411	140,578	7,814	8,310	7,163
Disposal of Fixed Assets	2	-	-	-	-
Increase in Compensated Absences Payable	54	7	-	-	-
Addition to Fund Equity Due to Prior Period Adjustments	2	4	-	-	-
Total Sources of Working Capital	241,229	201,940	10,940	11,289	10,156
USES OF WORKING CAPITAL:					
Increase in Long-Term Investments	234,660	205,591	12,334	13,453	11,467
Acquisition of Fixed Assets	14	4	-	-	-
Decrease in Compensated Absences Payable	56	14	-	-	-
Reduction of Fund Equity Due to Prior Period Adjustments	-	-	-	-	-
Total Uses of Working Capital	234,730	205,609	12,334	13,453	11,467
Net Increase (Decrease) in Working Capital	$ 6,499	$ (3,669)	$ (1,394)	$ (2,164)	$ (1,311)
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:					
Cash/Cash Equivalents	$ (56,229)	$ (40,889)	$ 182	$ (1,746)	$ 65
Receivables (Net)	1,541	953	109	104	110
Interfund Loans Receivable	-	-	-	40	10
Due from Other Funds	1,426	(25)	167	263	193
Inventories	(6)	-	-	-	-
Equity in Pooled Cash/Investments	61,357	36,137	(1,831)	(804)	(1,612)
Accounts Payable	(25)	67	-	-	(63)
Interfund Loans Payable	-	-	-	-	-
Due to Other Funds	(1,563)	38	(21)	(21)	(14)
Deferred Revenue	(2)	-	-	-	-
Property Held in Trust	-	51	-	-	-
Other Liabilities	-	(1)	-	-	-
Net Increase (Decrease) in Working Capital	$ 6,499	$ (3,669)	$ (1,394)	$ (2,164)	$ (1,311)

HIGHWAY PATROL	JUDGES	GAME WARDENS	VOLUNTEER FIREFIGHTERS	TOTALS YEAR ENDED JUNE 30 1987	1986
$ 2,570	$ 1,124	$ 850	$ 448	$ 144,092	$ 139,632
-	-	-	-	23	18
13	(1)	11	(6)	2,103	237
2,583	1,123	861	442	146,218	139,887
6,475	3,119	2,615	2,101	348,586	468,567
-	-	-	-	2	7
-	-	-	-	61	6
-	-	-	-	6	19
9,058	4,242	3,476	2,543	494,873	608,486
10,244	4,548	3,690	2,638	498,625	529,054
-	-	-	-	18	32
-	-	-	-	70	-
-	-	-	-	-	15
10,244	4,548	3,690	2,638	498,713	529,101
$ (1,186)	$ (306)	$ (214)	$ (95)	$ (3,840)	$ 79,385
$ 157	$ 34	$ 23	$ 3	$ (98,400)	$ 66,019
4	(67)	20	9	2,783	1,016
-	-	-	-	50	-
-	11	(21)	(16)	1,998	1,087
-	-	-	-	(6)	-
(1,126)	(281)	(244)	(34)	91,562	11,681
(8)	-	12	-	(17)	(380)
(10)	-	-	(40)	(50)	-
(203)	(3)	(4)	(17)	(1,808)	12
-	-	-	-	(2)	-
-	-	-	-	51	(50)
-	-	-	-	(1)	-
$ (1,186)	$ (306)	$ (214)	$ (95)	$ (3,840)	$ 79,385

PAGE LEFT INTENTIONALLY BLANK

AGENCY FUNDS

The Agency Funds are used to account for assets held by the State as an agent for individuals, private organizations, other governments and other funds. A brief description of each Agency Fund follows.

Investment Pool - This fund accounts for idle cash invested on a pooled basis. Investment earnings on State funds are accounted for as revenue in either the fund providing the cash for investment or in the fund from which the earnings will be expended.

Employees' Deferred Compensation - State employees may defer a part of their compensation for the purpose of investment. This fund accounts for employee withholdings transferred to investing entities for allocation to employee designated investment plans.

Land Grant Interest - This fund accounts for interest and income earnings on nonexpendable trusts administered by the Department of State Lands pending distribution to units of the university system and State institutions.

Performance Deposits - This fund accounts for deposits held by the State pending compliance with performance agreements.

Central Payroll - This fund accounts for the accumulation of State employees' payroll and withholdings by the State Auditor's Office pending remittance to employees and other appropriate third parties.

Industrial Insurance Liquidation - This fund, administered by the Division of Workers' Compensation, Department of Labor and Industry, accounts for surety bonds, converting the bonds into cash to liquidate liabilities as necessary.

Custodial Accounts - Monies belonging to State institution residents, students of the School for the Deaf and Blind and participants in the foster children and protective services programs are accounted for in this fund.

Unissued Warrants - This fund reports the amount of warrants authorized by agency claims but not written or not mailed by fiscal year-end.

Child Support Collections - This fund accounts for payments from parents under the Child Support Enforcement Program, Department of Revenue.

Unclaimed Property - This fund accounts for property held by State agencies pending claim by the person entitled thereto. It includes, for example, proceeds from the sale of abandoned property, escheated and undistributed estates, stale-dated State warrants and unclaimed wages.

Intergovernmental - This fund accounts for resources that flow through State agencies to federal and local governments.

A & E Advances - This fund accounts for monies advanced by other agencies to the Department of Administration's Architecture and Engineering (A & E) Division for minor capital projects. The capital outlay expenditures are recorded in the funds which advanced the money.

Uncleared Collections - This fund accounts for resources held pending distribution to other funds and local governments. Amounts due to other State funds have been recorded as a receivable and revenue in those funds.

Bad Debts - This fund, administered by the Department of Revenue, accounts for amounts due to the State which have been written off as uncollectible by the receiving agency. The Department of Revenue continues to attempt to collect amounts owing for a period of time after they are deemed uncollectible by the receiving agency.

STATE OF MONTANA
Combining Balance Sheet
Agency Funds
June 30, 1987
(Expressed in Thousands)

	INVESTMENT POOL	EMPLOYEES DEFERRED COMP.	LAND GRANT INTEREST	PERFORM. DEPOSITS	CENTRAL PAYROLL	INDUSTRIAL INSURANCE LIQUIDATION	CUSTODIAL ACCOUNTS
ASSETS:							
Cash/Cash Equivalents	$ 146	$ 201	$ 21,160	$ 6,062	$ 10,130	$ -	$ 1,759
Receivables (Net)	4,329	15	-	5	-	-	14
Interfund Loans Receivable	-	-	-	-	-	-	-
Due from Other Governments	-	-	-	-	-	-	-
Due from Other Funds	-	79	5,929	-	7,128	-	-
Equity in Pooled Cash/Investments	261,716	-	-	12,319	-	-	52
Investments	-	40,213	-	-	-	-	-
Other Assets	-	-	-	715	-	15,434	-
TOTAL ASSETS	$ 266,191	$ 40,508	$ 27,089	$ 19,101	$ 17,258	$ 15,434	$ 1,825
LIABILITIES:							
Accounts Payable	$ 1	$ 1	$ -	$ 16	$ -	$ -	$ 2
Interfund Loans Payable	-	-	-	-	-	-	-
Due to Other Governments	50,699	-	-	-	-	-	-
Due to Other Funds	20	-	27,089	21	1,693	-	981
Property Held in Trust	215,471	40,507	-	17,592	15,565	15,434	842
Other Liabilities	-	-	-	1,472	-	-	-
TOTAL LIABILITIES	$ 266,191	$ 40,508	$ 27,089	$ 19,101	$ 17,258	$ 15,434	$ 1,825

UNISSUED WARRANTS	CHILD SUPPORT COLLECTIONS	UNCLAIMED PROPERTY	INTER-GOVERNMENTAL	A & E ADVANCES	UNCLEARED COLLECTIONS	BAD DEBTS	TOTALS - JUNE 30 1987	1986
$ 1,655	$ 1,647	$ 809	$ 331	$ 314	$ 327	$ 50	$ 44,591	$ 389,238
-	-	13	1	-	-	-	4,377	248
-	-	-	-	-	-	-	-	3,000
-	-	-	109	-	-	-	109	257
-	3	-	20	155	5	-	13,319	27,446
-	-	-	336	-	-	-	274,423	33
-	-	-	-	-	-	-	40,213	210,135
-	-	-	-	-	-	-	16,149	15,700
$ 1,655	$ 1,650	$ 822	$ 797	$ 469	$ 332	$ 50	$ 393,181	$ 646,057
$ -	$ -	$ 16	$ 368	$ 123	$ 8	$ -	$ 535	$ 1,720
-	-	-	-	-	-	25	25	-
-	-	-	338	-	-	-	51,037	20,097
-	806	87	55	17	208	2	30,979	43,429
1,655	844	719	36	329	116	23	309,133	556,111
-	-	-	-	-	-	-	1,472	24,700
$ 1,655	$ 1,650	$ 822	$ 797	$ 469	$ 332	$ 50	$ 393,181	$ 646,057

STATE OF MONTANA
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 1987
(Expressed in Thousands)

FUND	BALANCE July 1, 1986	Additions	Deductions	BALANCE June 30, 1987
INVESTMENT POOL:				
ASSETS				
Cash/Cash Equivalents	$ 352,323	$ 21,525,927	$ 21,878,104	$ 146
Receivables (Net)	176	4,704	551	4,329
Due from Other Funds	1,840	-	1,840	-
Equity in Pooled Cash/Investments	-	786,524	524,808	261,716
Investments	175,261	7,728	182,989	-
Total Assets	$ 529,600	$ 22,324,883	$ 22,588,292	$ 266,191
LIABILITIES				
Accounts Payable	$ 1	$ 1	$ 1	$ 1
Due to Other Governments	16,288	61,036	26,625	50,699
Due to Other Funds	7,818	20	7,818	20
Property Held in Trust	501,150	1,055,357	1,341,036	215,471
Other Liabilities	4,343	209	4,552	-
Total Liabilities	$ 529,600	$ 1,116,623	$ 1,380,032	$ 266,191
EMPLOYEES DEFERRED COMP.:				
ASSETS				
Cash/Cash Equivalents	$ 1	$ 6,298	$ 6,098	$ 201
Receivables (Net)	1	15	1	15
Due from Other Funds	262	79	262	79
Investments	32,649	8,330	766	40,213
Total Assets	$ 32,913	$ 14,722	$ 7,127	$ 40,508
LIABILITIES				
Accounts Payable	$ 1	$ 1	$ 1	$ 1
Due to Other Funds	1	-	1	-
Property Held in Trust	32,911	8,213	617	40,507
Total Liabilities	$ 32,913	$ 8,214	$ 619	$ 40,508
LAND GRANT INTEREST:				
ASSETS				
Cash/Cash Equivalents	$ 21,439	$ 299,379	$ 299,658	$ 21,160
Due from Other Funds	7,915	5,981	7,967	5,929
Total Assets	$ 29,354	$ 305,360	$ 307,625	$ 27,089
LIABILITIES				
Due to Other Funds	$ 29,354	$ 27,141	$ 29,406	$ 27,089
PERFORM. DEPOSITS:				
ASSETS				
Cash/Cash Equivalents	$ 2,830	$ 31,228	$ 27,996	$ 6,062
Receivables (Net)	2	10	7	5
Interfund Loans Receivable	3,000	200	3,200	-
Equity in Pooled Cash/Investments	-	12,322	3	12,319
Investments	228	-	228	-
Other Assets	1,536	521	1,342	715
Total Assets	$ 7,596	$ 44,281	$ 32,776	$ 19,101
LIABILITIES				
Accounts Payable	$ 55	$ 495	$ 534	$ 16
Due to Other Funds	225	21	225	21
Property Held in Trust	5,838	22,920	11,166	17,592
Other Liabilities	1,478	4,549	4,555	1,472
Total Liabilities	$ 7,596	$ 27,985	$ 16,480	$ 19,101

Continued on next page.

STATE OF MONTANA
Combining Statement of Changes in Assets and Liabilities - Continued
Agency Funds
For the Fiscal Year Ended June 30, 1987
(Expressed in Thousands)

FUND	BALANCE July 1, 1986	Additions	Deductions	BALANCE June 30, 1987
CENTRAL PAYROLL:				
ASSETS				
Cash/Cash Equivalents	$ 1,753	$ 273,028	$ 264,651	$ 10,130
Due from Other Funds	16,315	7,129	16,316	7,128
Total Assets	$ 18,068	$ 280,157	$ 280,967	$ 17,258
LIABILITIES				
Due to Other Funds	$ 1,878	$ 1,695	$ 1,880	$ 1,693
Property Held in Trust	-	279,723	264,158	15,565
Other Liabilities	16,190	7	16,197	-
Total Liabilities	$ 18,068	$ 281,425	$ 282,235	$ 17,258
INDUSTRIAL INSURANCE LIQUIDATION:				
ASSETS				
Other Assets	$ 14,164	$ 1,512	$ 242	$ 15,434
LIABILITIES				
Property Held in Trust	$ 14,164	$ 1,512	$ 242	$ 15,434
CUSTODIAL ACCOUNTS:				
ASSETS				
Cash/Cash Equivalents	$ 2,426	$ 4,550	$ 5,217	$ 1,759
Receivables	-	14	-	14
Due from Other Funds	1	-	1	-
Equity in Pooled Cash/Investments	33	52	33	52
Total Assets	$ 2,460	$ 4,616	$ 5,251	$ 1,825
LIABILITIES				
Accounts Payable	$ 5	$ -	$ 3	$ 2
Due to Other Funds	1,543	33	595	981
Property Held in Trust	911	3,192	3,261	842
Other Liabilities	1	-	1	-
Total Liabilities	$ 2,460	$ 3,225	$ 3,860	$ 1,825
UNISSUED WARRANTS:				
ASSETS				
Cash/Cash Equivalents	$ 2,205	$ 3,001,321	$ 3,001,871	$ 1,655
LIABILITIES				
Accounts Payable	$ 36	$ -	$ 36	$ -
Due to Other Funds	15	-	15	-
Property Held in Trust	-	3,028,534	3,026,879	1,655
Other Liabilities	2,154	13,088	15,242	-
Total Liabilities	$ 2,205	$ 3,041,622	$ 3,042,172	$ 1,655
CHILD SUPPORT COLLECTIONS:				
ASSETS				
Cash/Cash Equivalents	$ 566	$ 5,779	$ 4,698	$ 1,647
Due from Other Funds	10	3	10	3
Total Assets	$ 576	$ 5,782	$ 4,708	$ 1,650
LIABILITIES				
Accounts Payable	$ 31	$ -	$ 31	$ -
Due to Other Funds	-	806	-	806
Property Held in Trust	545	299	-	844
Total Liabilities	$ 576	$ 1,105	$ 31	$ 1,650

Continued on next page.

STATE OF MONTANA
Combining Statement of Changes in Assets and Liabilities - Continued
Agency Funds
For the Fiscal Year Ended June 30, 1987
(Expressed in Thousands)

FUND	BALANCE July 1, 1986	Additions	Deductions	BALANCE June 30, 1987
UNCLAIMED PROPERTY:				
ASSETS				
Cash/Cash Equivalents	$ 760	$ 1,399	$ 1,350	$ 809
Receivables (Net)	36	83	106	13
Total Assets	$ 796	$ 1,482	$ 1,456	$ 822
LIABILITIES				
Accounts Payable	$ 6	$ 16	$ 6	$ 16
Due to Other Funds	-	88	1	87
Property Held in Trust	483	940	704	719
Other Liabilities	307	-	307	-
Total Liabilities	$ 796	$ 1,044	$ 1,018	$ 822
INTERGOVERNMENTAL:				
ASSETS				
Cash/Cash Equivalents	$ 1,593	$ 880,163	$ 881,425	$ 331
Receivables (Net)	33	11	43	1
Due from Other Governments	257	111	259	109
Due from Other Funds	905	23	908	20
Equity in Pooled Cash/Investments	-	347	11	336
Investments	1,997	3	2,000	-
Total Assets	$ 4,785	$ 880,658	$ 884,646	$ 797
LIABILITIES				
Accounts Payable	$ 830	$ 292	$ 754	$ 368
Due to Other Governments	3,809	-	3,471	338
Due to Other Funds	130	58	133	55
Property Held in Trust	16	1,473	1,453	36
Total Liabilities	$ 4,785	$ 1,823	$ 5,811	$ 797
A & E ADVANCES:				
ASSETS				
Cash/Cash Equivalents	$ 815	$ 5,888	$ 6,389	$ 314
Due from Other Funds	182	155	182	155
Total Assets	$ 997	$ 6,043	$ 6,571	$ 469
LIABILITIES				
Accounts Payable	$ 750	$ 123	$ 750	$ 123
Due to Other Funds	20	17	20	17
Property Held in Trust	-	5,818	5,489	329
Other Liabilities	227	-	227	-
Total Liabilities	$ 997	$ 5,958	$ 6,486	$ 469
UNCLEARED COLLECTIONS:				
ASSETS				
Cash/Cash Equivalents	$ 2,513	$ 468,694	$ 470,880	$ 327
Due from Other Funds	3	6	4	5
Total Assets	$ 2,516	$ 468,700	$ 470,884	$ 332
LIABILITIES				
Accounts Payable	$ 5	$ 15	$ 12	$ 8
Due to Other Funds	2,429	208	2,429	208
Property Held in Trust	82	288	254	116
Total Liabilities	$ 2,516	$ 511	$ 2,695	$ 332

Continued on next page.

STATE OF MONTANA
Combining Statement of Changes in Assets and Liabilities - Continued
Agency Funds
For the Fiscal Year Ended June 30, 1987
(Expressed in Thousands)

FUND	BALANCE July 1, 1986	Additions	Deductions	BALANCE June 30, 1987
BAD DEBTS:				
ASSETS				
Cash/Cash Equivalents	$ 14	$ 1,386	$ 1,350	$ 50
Due from Other Funds	13	-	13	-
Total Assets	$ 27	$ 1,386	$ 1,363	$ 50
LIABILITIES				
Interfund Loans Payable	$ -	$ 25	$ -	$ 25
Due to Other Funds	16	2	16	2
Property Held in Trust	11	412	400	23
Total Liabilities	$ 27	$ 439	$ 416	$ 50
TOTALS - ALL AGENCY FUNDS				
ASSETS				
Cash/Cash Equivalents	$ 389,238	$ 26,505,040	$ 26,849,687	$ 44,591
Receivables (Net)	248	4,837	708	4,377
Interfund Loans Receivable	3,000	200	3,200	-
Due from Other Governments	257	111	259	109
Due from Other Funds	27,446	13,376	27,503	13,319
Equity in Pooled Cash/Investments	33	799,245	524,855	274,423
Investments	210,135	16,061	185,983	40,213
Other Assets	15,700	2,033	1,584	16,149
TOTAL ASSETS	$ 646,057	$ 27,340,903	$ 27,565,779	$ 393,181
LIABILITIES				
Accounts Payable	$ 1,720	$ 943	$ 2,128	$ 535
Interfund Loans Payable	-	25	-	25
Due to Other Governments	20,097	61,036	30,096	51,037
Due to Other Funds	43,429	30,089	42,539	30,979
Property Held in Trust	556,111	4,408,681	4,655,659	309,133
Other Liabilities	24,700	17,853	41,081	1,472
TOTAL LIABILITIES	$ 646,057	$ 4,518,627	$ 4,771,503	$ 393,181

GENERAL FIXED ASSETS ACCOUNT GROUP

The General Fixed Assets Account Group is maintained to account for fixed assets acquired or constructed for use in operations which are accounted for in governmental funds. These include all fixed assets except those of the Enterprise, Internal Service, Nonexpendable Trust, Pension Trust and Higher Education Funds.

STATE OF MONTANA
Schedule of General Fixed Assets by Source
June 30,1987
(Expressed in Thousands)

General Fixed Assets:	
Land	$ 44,612
Buildings/Other Improvememts	176,289
Equipment	62,236
Other Fixed Assets	27,214
Construction in Progress	6,112
Total General Fixed Assets	$ 316,463
Investments in General Fixed Assets From:	
General Fund Fixed Assets	$ 166,850
State and Other Special Revenue Funds' Fixed Assets	77,681
Federal Special Revenue Fund Fixed Assets	30,354
Capital Projects Funds' Fixed Assets	7,961
Donated Fixed Assets	27
	33,590
Total Investments in General Fixed Assets	$ 316,463

STATE OF MONTANA
Schedule of General Fixed Assets by Function and Activity
For the Fiscal Year Ended June 30, 1987
(Expressed in Thousands)

Function and Activity	Land	Buildings/ Improvements	Equipment	Other Fixed Assets	Totals
General Government					
Legislative	$ -	$ -	$ 875	$ -	$ 875
Executive	2,527	32,482	4,056	74	39,139
Judicial	-	-	639	-	639
Total General Government	2,527	32,482	5,570	74	40,653
Public Safety/Corrections					
Law Enforcement	102	9,815	280	-	10,197
Corrections	2,136	33,479	4,164	7	39,786
Professional/Business Regulation	-	-	912	15	927
Safety	-	558	7,298	3	7,859
Total Public Safety/Corrections	2,238	43,852	12,654	25	58,769
Transportation	4,307	25,215	8,610	-	38,132
Health/Social Services					
Health/Environment	-	290	3,770	-	4,060
Social Services/Welfare	232	4,993	2,944	-	8,169
Mental Health	87	23,109	4,372	-	27,568
Veterans Affairs	-	2,616	539	-	3,155
Total Health/Social Services	319	31,008	11,625	-	42,952
Educational/Cultural					
Educational	119	8,176	3,832	982	13,109
Cultural	187	379	358	26,132	27,056
Total Educational/Cultural	306	8,555	4,190	27,114	40,165
Resource Development/Recreation					
Resource Development	2,869	20,053	7,501	-	30,423
Recreation	31,728	8,095	4,160	-	43,983
Agricultural	-	-	743	-	743
Total Resource Development/Recreation	34,597	28,148	12,404	-	75,149
Economic Development/Assistance	318	7,029	7,183	1	14,531
Construction in Progress	-	-	-	-	6,112
Total General Fixed Assets	$ 44,812	$ 176,289	$ 68,236	$ 27,214	$ 316,493

STATE OF MONTANA
Schedule of Changes in General Fixed Assets by Function and Activity
For the Fiscal Year Ended June 30, 1987
(Expressed in Thousands)

Function and Activity	General Fixed Assets 7/1/86	Additions	Deletions	General Fixed Assets 6/30/87
General Government				
Legislative	$ 802	$ 142	$ 69	$ 875
Executive	42,671	908	4,440	39,139
Judicial	633	6	-	639
Total General Government	44,106	1,056	4,509	40,653
Public Safety/Corrections				
Law Enforcement	9,553	654	10	10,197
Corrections	19,533	20,552	299	39,786
Professional/Business Regulation	877	80	30	927
Safety	7,002	2,236	1,379	7,859
Total Public Safety/Corrections	36,965	23,522	1,718	58,769
Transportation	36,133	3,013	1,014	38,132
Health/Social Services				
Health/Environment	4,058	256	254	4,060
Social Services/Welfare	11,332	614	3,777	8,169
Mental Health	23,961	3,877	270	27,568
Veterans Affairs	3,098	69	12	3,155
Total Health/Social Services	42,449	4,816	4,313	42,952
Educational/Cultural				
Educational	13,063	460	414	13,109
Cultural	26,418	644	6	27,056
Total Educational/Cultural	39,481	1,104	420	40,165
Resource Development/Recreation				
Resource Development	29,837	990	404	30,423
Recreation	40,874	4,474	1,365	43,983
Agricultural	709	47	13	743
Total Resource Development/Recreation	71,420	5,511	1,782	75,149
Economic Development/Assistance	10,878	4,083	430	14,531
Construction in Progress	17,817	3,749	15,454	6,112
Total General Fixed Assets	$ 299,249	$ 46,854	$ 29,640	$ 316,463

PAGE LEFT INTENTIONALLY BLANK

HIGHER EDUCATION FUNDS

The Higher Education Funds are used to account for all transactions relating to the State's public institutions of higher education, including six university units and five vocational-technical centers. A brief description of each Higher Education Fund follows.

Current Funds

Unrestricted

General Operating - This fund includes the portion of financial resources that can be expended for general operations and is free of externally imposed restrictions, except those imposed by the Legislature.

Designated - This fund includes financial resources associated with general operations but are separately classified in order to accumulate costs that are to be recharged to other funds. It also identifies educational departments' special activities that are fully supported by supplemental assessments and identifies special supply and facility fees that are approved for collections beyond normal course fees and their disposition.

Auxiliary - This fund includes those financial resources devoted to providing essential on-campus services primarily to students, faculty or staff where a fee relating to the service is charged.

Restricted - This fund includes the portion of financial resources that can be expended for general operations but only for purposes imposed by sources external to the Board of Regents and the Legislature.

Fiduciary Funds

Student Loans - Accounts for monies which may be loaned to students, faculty or staff for purposes related to education, organized research or public services by the higher education system.

Endowment - Accounts for monies where the principal is available for investment. Investment earnings are to be transferred to appropriate operating funds pursuant to prevailing administrative requirements.

Agency - Accounts for monies where the State acts in the capacity of a custodian or fiscal agent for individual students, faculty, staff or qualified organizations.

Plant Funds

Unexpended - Accounts for unexpended resources derived from various sources to finance the acquisition of plant assets and the associated liabilities.

Renewal and Replacement - This fund's resources provide for the renewal and replacement of plant fund assets as distinguished from additions and improvements.

Retirement of Indebtedness - This fund accumulates resources for interest and principal payments and other debt service charges, including contributions to reserves, relating to plant fund indebtedness.

Investment in Plant - This fund includes all long-lived assets in the service of the higher education unit as well as all associated liabilities.

STATE OF MONTANA
Combining Balance Sheet
All Higher Education Funds
June 30, 1987
(Expressed in Thousands)

	CURRENT FUNDS			
	UNRESTRICTED			
	GENERAL OPERATING	DESIGNATED	AUXILIARY	RESTRICTED
ASSETS:				
Cash/Cash Equivalents	$ 4,297	$ 3,380	$ 2,842	$ 1,344
Cash with Fiscal Agent	-	-	-	-
Receivables (Net)	903	736	865	1,602
Interfund Loans Receivable	3,079	140	823	30
Due from Other Governments	-	-	-	1,362
Due from Other Funds	8,750	2,860	2,821	1,826
Inventories	106	2,182	2,210	-
Equity in Pooled Cash/Investments	57	153	2,237	556
Long-Term Notes/Loans Receivable	-	37	-	-
Investments	-	-	-	-
Land	-	-	-	-
Buildings/Improvements	-	-	-	-
Equipment	-	-	-	-
Other Fixed Assets	-	-	-	-
Construction in Progress	-	-	-	-
Intangible Assets	-	-	-	-
Other Assets	835	449	696	1,039
TOTAL ASSETS	$ 18,027	$ 9,937	$ 12,494	$ 7,759
LIABILITIES/FUND BALANCES:				
Liabilities:				
Accounts Payable	$ 10,540	$ 2,104	$ 1,440	$ 1,852
Interfund Loans Payable	466	1,995	759	1,114
Due to Other Governments	-	-	-	251
Due to Other Funds	4,377	1,293	3,021	2,231
Deferred Revenue	670	50	255	203
Installment Purchase/Lease Payable	-	-	-	-
Bonds/Notes Payable	-	-	-	-
Property Held in Trust	186	54	202	36
Compensated Absences Payable	11,730	745	824	-
Estimated Insurance Claims	-	-	-	-
Other Liabilities	606	12	86	-
Total Liabilities	28,575	6,253	6,587	5,687
Fund Balances:				
Net Investment in Plant	-	-	-	-
Reserved For:				
Encumbrances	830	169	36	25
Debt Service	-	-	-	-
Insurance Claims	-	-	-	-
Student Loans/Endowments	-	-	-	-
Unreserved	(11,378)	3,515	5,871	2,047
Total Fund Balances	(10,548)	3,684	5,907	2,072
TOTAL LIABILITIES/FUND BALANCES	$ 18,027	$ 9,937	$ 12,494	$ 7,759

FIDUCIARY FUNDS			PLANT FUNDS				TOTALS - JUNE 30	
STUDENT LOANS	ENDOWMENTS	AGENCY	UNEXPENDED	RENEWAL AND REPLACEMENT	RETIREMENT OF INDEBTEDNESS	INVESTMENT IN PLANT	1987	1986
$ 227	$ 187	$ 884	$ 2,908	$ 3,111	$ 1,772	$ -	$ 20,952	$ 18,897
60	-	-	2,857	923	2,272	-	6,112	7,848
15,881	-	159	344	37	400	-	20,927	22,131
24	-	-	650	200	-	-	4,946	3,405
13	-	-	-	-	-	-	1,375	1,115
60	2	1,515	254	155	1,356	-	19,599	10,208
-	-	-	-	-	-	-	4,498	4,692
173	1,054	1,221	677	207	5,289	-	11,624	15,332
-	-	-	-	-	-	-	37	43
-	11	49	7,203	300	4,717	-	12,280	32,412
-	-	-	-	-	-	9,038	9,038	8,876
-	-	-	-	-	-	255,622	255,622	233,385
-	-	-	-	-	-	87,433	87,433	79,991
-	-	-	-	-	-	45,052	45,052	41,650
-	-	-	1,370	916	-	711	2,997	14,224
-	-	-	-	-	-	410	410	252
728	758	219	1,061	1,075	665	-	7,525	1,170
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
$ 4	$ -	$ 1,057	$ 140	$ 61	$ 535	$ -	$ 17,733	$ 14,731
-	-	228	-	-	850	-	5,412	3,405
-	-	-	-	-	-	-	251	266
6	2	1,059	246	598	525	-	13,358	11,379
-	-	-	18	-	29	-	1,225	4,403
-	-	-	-	-	-	1,164	1,164	1,145
-	-	-	16,833	1,167	-	60,258	78,258	77,427
-	-	1,022	-	-	-	-	1,500	2,057
-	-	-	-	-	-	-	13,299	12,696
-	-	-	-	-	-	-	-	1,157
-	-	681	17	-	5,090	-	6,492	1,075
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
-	-	-	-	-	-	336,844	336,844	323,272
-	-	-	49	2	-	-	1,111	1,333
-	-	-	-	-	9,442	-	9,442	9,733
-	-	-	-	-	-	-	-	3,207
12,319	1,958	-	-	-	-	-	14,277	14,207
4,837	52	-	21	5,096	-	-	10,061	14,138
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

PAGE LEFT INTENTIONALLY BLANK

STATISTICAL AND ECONOMIC DATA

Financial presentations included in this section provide users a better historical perspective through detailed data on economic and social characteristics, financial trends and the fiscal capacity of the State.

PHOTO COURTESY OF MONTANA PROMOTION DIVISION

MONTANA

naturally inviting!

PAGE LEFT INTENTIONALLY BLANK

STATE OF MONTANA
REVENUES BY SOURCE
ALL GOVERNMENTAL FUND TYPES
Last Five Fiscal Years (1)
(Expressed in Thousands)

	1983	1984	1985	1986	1987
Licenses/Permits	$ 53,400	$ 51,156	$ 63,744	$ 77,537	$ 80,444
Taxes	401,895	474,850	519,175	599,112	578,509
Charges for Services/Fines/Forfeits	10,296	27,899	18,635	35,125	48,340
Investment Earnings	86,051	105,624	118,036	68,879	24,920
Reimbursements	19,083	11,826	15,681	-	-
Sale of Documents/Mdse./Property	5,953	2,298	16,245	15,220	5,749
Rentals/Leases/Royalties	1,139	1,350	1,389	888	796
Contributions/Premiums	42	271	341	280	451
Grants/Contracts/Donations	7,238	1,924	2,034	3,942	6,254
Federal	281,502	336,201	390,240	400,247	413,923
Federal Indirect Cost Recoveries	-	-	-	3,032	3,296
Other Revenues	1,707	2,902	2,372	6,967	6,193
Totals	$ 868,306	$ 1,016,301	$ 1,147,892	$ 1,211,229	$ 1,168,875

NOTE: (1) Comparable revenues by source are not available for fiscal years prior to 1983.

STATE OF MONTANA
EXPENDITURES BY FUNCTION
ALL GOVERNMENTAL FUND TYPES
Last Five Fiscal Years (1)
(Expressed in Thousands)

	1983	1984	1985	1986	1987
General Government	$ 73,748	$ 50,420	$ 51,268	$ 56,461	$ 51,054
Public Safety/Corrections	46,576	50,646	56,191	57,382	58,140
Transportation	161,891	213,698	264,285	269,806	242,470
Health/Social Services	248,355	270,033	291,851	304,708	352,299
Education/Cultural	203,919	213,977	222,631	318,640	313,616
Resource Development/Recreation	43,588	45,698	51,675	52,385	48,468
Economic Development/Assistance	34,367	76,198	84,866	87,887	87,737
Debt Service:					
Principal Retirement	3,734	61,311	7,586	55,491	116,393
Interest/Fiscal Charges	7,244	12,944	16,829	21,957	22,859
Capital Outlay	25,701	30,159	39,096	41,118	30,815
Totals	$ 849,123	$ 1,025,084	$ 1,086,278	$ 1,265,835	$ 1,323,851

NOTE: (1) Comparable expenditures by function are not available for fiscal years prior to 1983.

STATE OF MONTANA
PROPERTY TAX LEVIES AND COLLECTIONS (1)
Last Ten Fiscal Years
(Expressed in Thousands)

FISCAL YEAR	TOTAL TAX LEVY(a)	TOTAL TAX COLLECTIONS(b)	PERCENT OF TOTAL TAX COLLECTIONS TO TAX LEVY
1978	$ 12,126	$ 12,126	100.0 %
1979	15,356	15,194	98.9
1980	13,984	13,575	97.1
1981	13,587	13,060	96.1
1982	13,714	13,901	101.4
1983	15,084	14,213	94.2
1984	14,987	15,018	100.2
1985	16,025	17,014	106.2
1986	16,272	16,879	103.7
1987	15,656	15,655	100.0

NOTE: (1) Property taxes are levied in one fiscal year and collected in subsequent fiscal years (i.e., the fiscal year column relates to the column "Total Tax Collections" only).

SOURCE: (a) Montana Department of Revenue Reports to the Legislature
(b) Montana Statewide Budgeting and Accounting System

STATE OF MONTANA
TAXABLE AND MARKET (ASSESSED) VALUE OF PROPERTY (1)
Last Ten Fiscal Years
(Expressed in Thousands)

	Real Property		Personal Property		Total		Ratio of Total Taxable to Total Market (Assessed) Value
Fiscal Year	Taxable Value	Assessed Value	Taxable Value	Assessed Value	Taxable Value	Assessed Value	
1977	$ 1,047,428	$ 3,010,476	$ 419,316	$ 2,095,349	$ 1,466,744	$ 5,105,825	28.7 %
1978	1,132,364	8,713,629	435,921	4,390,091	1,568,285	13,103,720	12.0
1979	1,153,518	9,006,273	468,434	4,735,543	1,621,952	13,741,816	11.8
1980	1,335,994	9,672,954	509,015	5,455,106	1,845,009	15,128,060	12.2
1981	1,514,913	10,169,188	505,718	5,702,783	2,020,631	15,871,971	12.7
1982	1,820,293	11,179,906	384,199	4,772,574	2,204,492	15,952,480	13.8
1983	1,881,320	11,901,426	352,065	3,895,305	2,233,385	15,796,731	14.1
1984	1,947,241	12,598,756	383,642	4,133,338	2,330,883	16,732,094	13.9
1985	2,016,373	13,094,912	353,760	3,855,595	2,370,133	16,950,507	14.0
1986	1,981,731	24,060,549	324,557	3,630,367	2,306,288	27,690,916	8.3

NOTE: (1) Taxable property in Montana must be assessed at 100% of its market value except mining property and agricultural lands. Mining property is assessed based on net and gross proceeds from mineral production. The assessment on agricultural land is based on productive capacity.

- Taxable value is that against which the mill levy is applied. These values are arrived at by the appropriate ratios found in Montana's Classification Act to the assessed values (e.g., the taxable value of residential property is 30% of its assessed value).

- Assessed value was changed from varying percentages of market value to full market value in 1978.

- The increase in Fiscal Year 1986 was primarily due to a reappraisal from 1978 values to 1982 values.

SOURCE: Montana Department of Revenue Reports to the Legislature

STATE OF MONTANA
PROPERTY TAX RATES-ALL OVERLAPPING GOVERNMENTS
(Per $100 OF TAXABLE VALUE)
Last Ten Fiscal Years

Fiscal Year	State of Montana Special Revenue Funds	Schools	Counties	Cities	Miscellaneous	Total
1977	$ .83	$ 11.71	$ 4.52	$ 2.59	$ .93	$ 20.58
1978	.98	11.95	4.48	2.76	1.00	21.17
1979	.86	13.03	4.71	2.89	1.15	22.64
1980	.74	13.29	4.67	2.86	1.12	22.68
1981	.68	13.35	4.79	2.83	1.22	22.87
1982	.68	12.76	4.78	1.80	2.04	22.06
1983	.67	12.90	4.96	2.71	1.37	22.61
1984	.69	14.12	4.86	2.78	1.32	23.77
1985	.69	13.98	5.18	2.95	1.33	24.13
1986	.68	14.88	5.42	3.18	1.47	25.63

SOURCE: Department of Revenue Reports to the Legislature

STATE OF MONTANA
PROPERTY TAX MILL LEVY FOR STATE PURPOSES

This portion of the property tax levy was developed to provide a non-discriminatory method of financing public education in Montana. The State has statutory authority to levy up to six mills for the support of the State's higher education system. Until 1981, additional levies for equalization of school funding were levied from time to time to cover deficiencies in the school equalization account. The General Fund is now charged with making up any deficiencies in the equalization system. In addition, the Legislature is directed by law to levy at each legislative session a tax of up to two mills on all taxable property in the State to provide for any deficiencies in the General Fund.

Levy Year	Higher Education System	Primary & Secondary Schools	Total Mill Levy
1978	5.94	1.05	6.99
1979	6.00	3.20	9.20
1980	6.00	1.00	7.00
1981	5.65	-	5.65
1982	6.00	-	6.00
1983	5.86	-	5.86
1984	6.00	-	6.00
1985	6.00	-	6.00
1986	6.00	-	6.00
1987	6.00	-	6.00

Each mill represents one dollar of tax levied on each thousand dollars worth of taxable property. The amount of property taxes needed for the year (net levy) is divided by the percentage determined collectible. This gross levy is then divided by the assessed valuation to arrive at the mill levy. For example, 1987's 6.0 mills would levy a tax of $36.00 on property with a taxable value of $6,000.

SOURCE: Montana Department of Revenue - Research and Information Division

STATE OF MONTANA
RATIO OF DIRECT STATE DEBT TO
ASSESSED VALUE AND DIRECT
STATE DEBT PER CAPITA
Last Ten Fiscal Years

Fiscal Year	(Expressed in Thousands) Population(a)	Assessed Value(1)(b)	Direct State Debt(2)(c)	Direct State Debt Per Assessed Value	Capita
1978	784	$13,103,730	$ 6,975	$ .05	$ 8.94
1979	789	13,741,817	10,538	.08	13.41
1980	789	15,128,059	29,356	.19	37.30
1981	796	15,871,972	27,345	.17	34.40
1982	805	15,952,480	62,362	.39	77.47
1983	816	15,796,731	57,940	.37	70.92
1984	824	16,732,094	107,541	.64	130.51
1985	825	16,950,507	100,835	.59	122.08
1986	819	27,690,916	106,814	.39	130.42
1987	N/A	N/A	99,402	.36*	121.37 *

N/A - Information not available.

* Calculated using 1986 information.

NOTES: (1) Assessed value was changed from varying percentages of market value to full market value in 1978. The 1986 increase was primarily due to a reappraisal from 1978 values to 1982 values.
(2) Includes only General Obligation Bonds.

SOURCES: (a) Montana Department of Commerce - Census and Economic Information Center
(b) Montana Department of Revenue Reports to the Legislature
(c) 1987 Summary of State Bonded Debt

STATE OF MONTANA
RATIO OF ANNUAL DEBT SERVICE TO
TOTAL GENERAL EXPENDITURES
Last Ten Fiscal Years
(Expressed in Thousands)

Fiscal Year	Total Debt Service	Total General Expenditures	Ratio
1978	$ 4,739	$ 591,208	0.80%
1979	3,676	625,670	0.59
1980	6,229	686,686	0.91
1981	6,323	730,401	0.87
1982	12,576	813,767	1.55
1983	10,978	849,123	1.29
1984	74,255	1,025,084	7.24
1985	24,415	1,086,278	2.25
1986	77,448	1,265,835	6.12
1987	139,252	1,323,851	10.52

SOURCE: Montana Financial Reports 1978-1987

STATE OF MONTANA
REVENUE BOND COVERAGE
DISCRETE ENTITIES (1)
Last Seven Fiscal Years (2)
(Expressed in Thousands)

Fiscal Year	Gross Revenues	Operating Expenses	Net revenue available for debt service(3)	Debt Service Requirements	
				Total	Coverage
1980	$ 36,208	$ 14,321	$ 22,549	$ 14,492	1.56
1981	42,516	15,999	27,205	21,113	1.29
1982	47,511	19,083	29,112	23,544	1.24
1983	55,487	21,199	35,012	32,094	1.09
1984	66,948	20,152	46,796	41,279	1.13
1985	43,918	29,482	14,436	7,389	1.95
1986	44,595	27,454	17,140	13,171	1.30

NOTES: (1) Discrete entities for 1985 include State-owned universities and colleges. Prior to 1985 the Montana Board of Housing was also included as a discrete entity. (Information to calculate the coverage for the Montana College of Mineral Science and Technology was not available until 1985 since no yearly audit was required for their revenue bonds exclusive of the college as a whole.)
(2) Comprehensive information was unavailable prior to fiscal year 1980.
(3) During 1980 through 1984 net revenues were defined by the bond resolution for the University of Montana's Building Fees Resolution. No gross revenue or operating expenses figures were available for this resolution; therefore, the difference between gross and operating revenues does not equal the net revenue available for debt service each year reported above. This difference is equal to the amount of net revenues defined by the Building Fees Resolution. Total debt service requirements and coverage are not affected.

SOURCE: Annual audit reports for each discrete entity.

STATE OF MONTANA
ANALYSIS OF OUTSTANDING DEBT
BY RANGE OF INTEREST RATE
June 30, 1987
(Expressed in Thousands)

Range of Interest Rate (1)	Outstanding Debt	% of Total Outstanding Bonded Debt
2.01 to 3.00	$ 645	0.18 %
3.01 to 4.00	464	0.13
4.01 to 5.00	4,557	1.29
5.01 to 6.00	28,115	7.94
6.01 to 7.00	89,615	25.30
7.01 to 8.00	125,916	35.55
8.01 to 9.00	64,472	18.20
9.01 to 10.00	40,408	11.41
Total Bonded Debt	$ 354,192 (2)	100.00 %

NOTES: (1) Face value coupon rates.
(2) Excludes bonds of Montana's Board of Housing, Economic Development Board and Health Facilities Authority.

SOURCE: 1987 Summary of State Bonded Debt

STATE OF MONTANA
PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS (1)
Last Ten Fiscal Years
(Expressed in thousands, except for number of permits)

	Construction				
	Residential(a)		Commercial(b)		
Fiscal Year	Number of permits issued	Valuation*	Number of permits issued	Cost of construction	Bank Deposits(c)
1977	5,627	$ 130,579	N/A	$ N/A	$ 4,181,140
1978	4,817	128,945	N/A	N/A	4,701,078
1979	3,121	90,077	N/A	N/A	5,079,688
1980	2,374	71,361	N/A	N/A	5,459,614
1981	1,954	68,085	324	32,383	5,961,142
1982	2,052	70,729	279	26,497	6,306,971
1983	3,057	131,167	269	30,636	6,859,295
1984	2,837	129,019	251	38,537	7,353,755
1985	2,034	86,925	295	33,018	7,615,431
1986	1,153	57,348	321	24,383	7,825,147

	Property (Assessed) Values(d)					
Fiscal Year	Agriculture	Commercial/ Industrial	Personal/ Real	Utilities	Other**	Total(2)
1977	$ 597,059	$ 133,599	$ 3,371,518	$ 340,083	$ 663,566	$ 5,105,825
1978	1,040,153	746,105	9,259,972	930,450	1,127,040	13,103,720
1979	1,069,826	758,507	9,789,906	957,929	1,165,648	13,741,816
1980	1,106,475	864,620	10,710,413	1,582,788	863,764	15,128,060
1981	1,148,841	1,019,930	11,076,029	1,794,413	832,758	15,871,971
1982	1,170,436	1,513,659	9,556,177	2,663,227	1,048,981	15,952,480
1983	1,234,102	2,081,796	8,301,769	3,088,980	1,090,084	15,796,731
1984	1,260,872	2,188,062	8,683,164	3,529,623	1,070,373	16,732,094
1985	1,264,861	2,412,051	8,752,473	3,395,396	1,125,726	16,950,507
1986	2,324,395	5,420,997	15,037,897	3,901,322	1,006,305	27,690,916

N/A - Information not available

* 1980-1984: Information on publicly owned (contract awards) housing units was not available.
**Other property includes mining, coal and miscellaneous.

NOTE: (1) - Nontaxable property value information is not available.
- Assessed value was changed from varying percentages of market value to market value in 1978. The increase in Fiscal Year 1986 was primarily due to a reappraisal from 1978 values to 1982 values.
- Bank deposits are the aggregate of State Banks and Trust Companies, National Banks, Savings and Loans and Credit Unions. Credit Union balances are as of the previous December 31; all others are as of June 30.

SOURCES: (a) - Montana Department of Commerce - Census and Economic Information Center
(b) - Montana Department of Commerce - Building Codes Division
(c) - Montana Department of Commerce - State Banks and Trust Companies and National Banks
- Federal Home Loan Bank of Seattle - Savings and Loans
- Montana Credit Unions League - Credit Unions
(d) - Montana Department of Revenue Reports to the Legislature

STATE OF MONTANA
INCOME DATA
Last Ten Years

Total Personal Income
(Millions)

Year	Montana Amount	Montana % Increase	Rocky Mountain Region(1) Amount	Rocky Mountain Region(1) % Increase	United States Amount	United States % Increase
1977	$ 4,952		$ 41,938		$ 1,602,863	
1978	5,860	18.3	48,869	16.5	1,806,968	12.7
1979	6,428	9.7	55,747	14.1	2,028,510	12.3
1980	7,040	9.5	63,096	13.2	2,254,076	11.1
1981	7,861	11.7	71,407	13.2	2,514,231	11.5
1982	8,113	3.2	76,348	6.9	2,663,498	5.9
1983	8,495	4.7	80,940	6.0	2,834,375	6.4
1984	8,915	4.9	86,922	7.4	3,101,267	9.4
1985	9,106	2.1	91,629	5.4	3,320,099	7.1
1986	9,666	6.1	95,459	4	3,529,522	6.3
Average Annual Rate of Growth		7.80%		9.66%		9.19%

Per Capita Income

Year	Montana Amount	Montana % Increase	Rocky Mountain Region(1) Amount	Rocky Mountain Region(1) % Increase	United States Amount	United States % Increase
1977	6,420		6,899		7,294	
1978	7,474	16.4	7,811	13.2	8,136	11.5
1979	8,146	9.0	8,658	10.8	9,033	11.0
1980	8,924	9.6	9,568	10.5	9,919	9.8
1981	9,877	10.7	10,573	10.5	10,949	10.4
1982	10,078	2.0	11,027	4.3	11,481	4.9
1983	10,411	3.3	11,456	3.9	12,098	5.4
1984	10,826	4.0	12,158	6.1	13,114	8.4
1985	11,031	1.9	12,694	4.4	13,907	6.0
1986	11,803	7	13,146	4	14,641	5
Average Annual Rate of Growth		7.10%		7.48%		8.08%

NOTE: (1) The Rocky Mountain Region includes Montana, Colorado, Idaho, Utah and Wyoming

SOURCE: Montana Department of Commerce - Census and Economic Information Center

STATE OF MONTANA

PUBLIC EDUCATION INSTITUTIONS

FALL ENROLLMENT (1)

Last Ten Years

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
TOTAL GRADES PRE-K-12(a)	168,730	164,326	158,208	155,073	153,435	152,401	153,646	154,412	154,072	153,327
MONTANA UNIVERSITY SYSTEM(b)										
University of Montana	7,979 *	7,868	8,010	8,283	8,226	8,458	8,431	8,265	8,186	8,017
Montana State University	9,613	9,555	9,811	10,338	10,675	10,691	10,789	10,353	10,104	9,671
Montana Tech**	1,058	1,139	1,247	1,531	1,791	2,048	2,090	1,880	1,659	1,573
Western Montana College	582	643	699	825	820 **	859 **	882 **	880 **	854 **	928 **
Eastern Montana College	3,105	2,910	2,964	3,177	3,329	3,494	3,538	3,468	3,480	3,324
Northern Montana College	1,312	1,149	1,235	1,382	1,542	1,663	1,745	1,707	1,693	1,710
TOTAL UNIVERSITIES	23,649	23,264	23,966	25,536	26,383	27,213	27,475	26,553	25,976	25,223
VOCATIONAL TECHNICAL CENTERS(a)										
Billings Vo-Tech Center	N/A	546	458	521	565	490	400	448	489	446
Butte Vo-Tech Center	N/A	450	350	412	414	418	294	395	414	390
Great Falls Vo-Tech Center	N/A	387	431	530	547	540	423	428	391	416
Helena Vo-Tech Center	N/A	815	868	949	929	961	700	665	647	570
Missoula Vo-Tech Center	N/A	554	667	715	705	759	471	588	578	507
TOTAL VOCATIONAL TECHNICAL CENTERS	N/A	2,752	2,774	3,127	3,160	3,168	2,288	2,524	2,519	2,329

* Data revised after enrollment audits
** Semester Calendar

N/A - Vocational Technical Centers' enrollment information was not available until 1979.

NOTE: (1) The University System is based on fiscal year full-time equivalent enrollment. This is the basis upon which budgets for the Montana University System are established. The Vocational Technical Centers' enrollment is based on total contact hours.

SOURCES: (a) Montana Office of Public Instruction
(b) Montana Commissioner of Higher Education

STATE OF MONTANA
DEMOGRAPHIC STATISTICS
Last Ten Years

Fiscal Year	Population (1)(a)	Per Capita Income (1)(a)	Public School Enrollment Pre-K-12 (2)(b)	Montana University System Enrollment (2)(b)	Average Montana Unemployment Rate (1)(c)	Average U.S. Unemployment Rate (1)(c)	Average Civilian Labor Force (1)(c)	Average Total Employment (1)(c)	Average Unemployment(1)(c)
1978	784,000	$ 7,474	168,730	23,649	6.0 %	6.1 %	370,000	348,000	22,000
1979	789,000	8,146	164,326	23,264	5.1	5.8	371,000	352,000	19,000
1980	789,000	8,924	158,208	23,966	6.1	7.1	370,000	347,000	23,000
1981	796,000	9,877	155,073	25,536	6.9	7.6	384,000	357,000	27,000
1982	805,000	10,078	153,435	26,383	8.6	9.7	392,000	358,000	34,000
1983	816,000	10,411	152,401	27,213	8.8	9.6	394,000	359,000	35,000
1984	824,000	10,826	153,646	27,475	7.4	7.5	406,000	376,000	30,000
1985	825,000	11,031	154,412	26,553	7.7	7.5	409,800	378,200	31,600
1986	819,000	11,803	154,072	25,976	8.5	7.3	402,600	368,500	34,100
1987	N/A	N/A	153,327	25,223	8.0	6.7	404,500	372,300	32,200

N/A - Information not available

NOTES: (1) Based on calendar year.
(2) Based on academic year - includes public schools (pre-K-12) and State-owned universities and colleges.

SOURCES: (a) Montana Department of Commerce - Census and Economic Information Center
(b) - Montana Office of Public Instruction - public schools
- Montana Commissioner of Higher Education - universities and colleges
(c) Montana Department of Labor and Industry - Research Bureau

EMPLOYMENT IN MONTANA INDUSTRIES (1)
(Thousands of Persons)
Last Ten Years

	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986
	16.3	17.4	17.9	15.2	14.2	11.7	13.0	13.8	13.5	12.7
Durable Goods	8.8	8.9	9.1	9.0	9.0	8.9	9.1	8.7	8.2	8.5
Non-Durable Goods	6.1	7.0	7.7	8.8	11.5	9.3	7.4	7.7	6.8	5.9
Mining	15.7	16.7	15.6	14.5	13.3	13.4	13.3	12.5	11.3	10.3
Contract Construction	12.6	13.5	14.2	13.1	13.1	12.3	11.2	11.8	12.0	20.4
Transportation	7.7	8.2	8.9	9.3	9.5	9.7	9.2	9.0	8.6	8.6
Communications/Utilities	15.8	16.5	17.4	17.8	17.9	17.2	17.1	17.4	16.8	15.3
Wholesale Trade	51.2	55.7	56.1	54.5	55.0	54.7	56.5	58.5	58.8	57.2
Retail Trade	11.2	12.2	12.7	12.9	12.9	12.8	13.0	13.4	13.3	13.0
Finance/Insurance/Real Estate	15.7	17.2	17.5	18.2	19.4	20.4	20.9	21.0	21.3	21.9
Medical/Other Health Services	33.7	35.4	36.7	36.9	36.7	35.9	36.9	38.6	38.8	30.3
Other Services	13.6	13.6	13.9	13.8	13.6	13.1	13.0	12.8	12.4	12.8
Federal Government	8.9	8.6	7.9	8.2	7.8	8.0	8.3	8.4	8.5	8.8
State Colleges/Universities	11.1	11.1	10.8	10.8	10.4	10.0	10.3	10.5	10.8	10.7
Other State Government	22.8	23.8	22.8	23.1	22.5	21.4	21.8	21.8	22.0	22.9
Local Education	13.6	14.6	14.7	14.3	15.0	14.9	15.0	15.2	15.3	15.2
Other Local Government										
Total Non-Farm Wage/ Salary Jobs(2)	264.8	280.4	283.9	280.4	281.8	273.7	276.0	281.1	278.4	274.5

SOURCE: (1) Montana Department of Labor and Industry - Research and Analysis Bureau
(2) Establishment Data - a count of jobs by where people work

MAJOR PRIVATE EMPLOYERS IN MONTANA - 1987*
(Listed in descending number of employees)

1. Burlington Northern, Inc. (transportation, energy)
2. Montana Power Company (utilities, energy)
3. Champion International Corp. (sawmills, forest products)
4. Sisters of Charity of Providence-Montana (health care - Columbus Hospital, Great Falls; St. Patrick's Hospital, Missoula; St. Thomas Child & Family Center, Great Falls)
5. Mountain Bell (communications)
6. 4 B's Restaurants, Inc. (hospitality)
7. Montana Deaconess Hospital (health care)
8. K-Mart Corporation (retail)
9. St. Vincent Hospital & Health Center, Inc. (health care)
10. Buttrey Food & Drug (retail)

SOURCE: Montana Department of Commerce - Office of Research and Information Services

* The two largest Montana employers are public: the U.S. Government and Montana State Government

STATE OF MONTANA
(The Treasure State)
MISCELLANEOUS STATISTICS
June 30, 1987

(1) Date of statehood	1889 - 41st state
(1) Form of government	Legislative-Executive-Judicial
(1) Land area - 4th largest state	14,392 square miles
Population density (Based on 1986 population)	5.63 persons per square mile
(1) Miles of paved public roads	14,400
(2) Higher Education	
State-owned Universities and Colleges	6
Vocational-Technical Centers	5
(1) Recreation:	
Number of State parks	10
Number of State monuments	18
National parks (Glacier and Yellowstone)	2
(3) State employees (full-time equivalent)	14,398

SOURCES: (1) Official Montana 1987-88 Highway Map
(2) Montana Commissioner of Higher Education
(3) State of Montana Office of Budget and Program Planning

500 copies of this public document were published at an estimated cost of $13.17 per copy, for a total cost of $6,587.00 which includes $6,587.00 for printing and $.00 for distribution.